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ANNUAL REPORT
OF THE
GOVERNOR GENERAL
OF THE PHILIPPINE ISLANDS
1930

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING REPORT OF THE GOVERNOR GENERAL OF THE PHILIPPINE ISLANDS, INCLUDING THE REPORTS OF THE HEADS OF THE DEPARTMENTS OF THE PHILIPPINE GOVERNMENT, FOR THE CALENDAR YEAR 1930



DECEMBER 10, 1931.—Referred to the Committee on Insular Affairs
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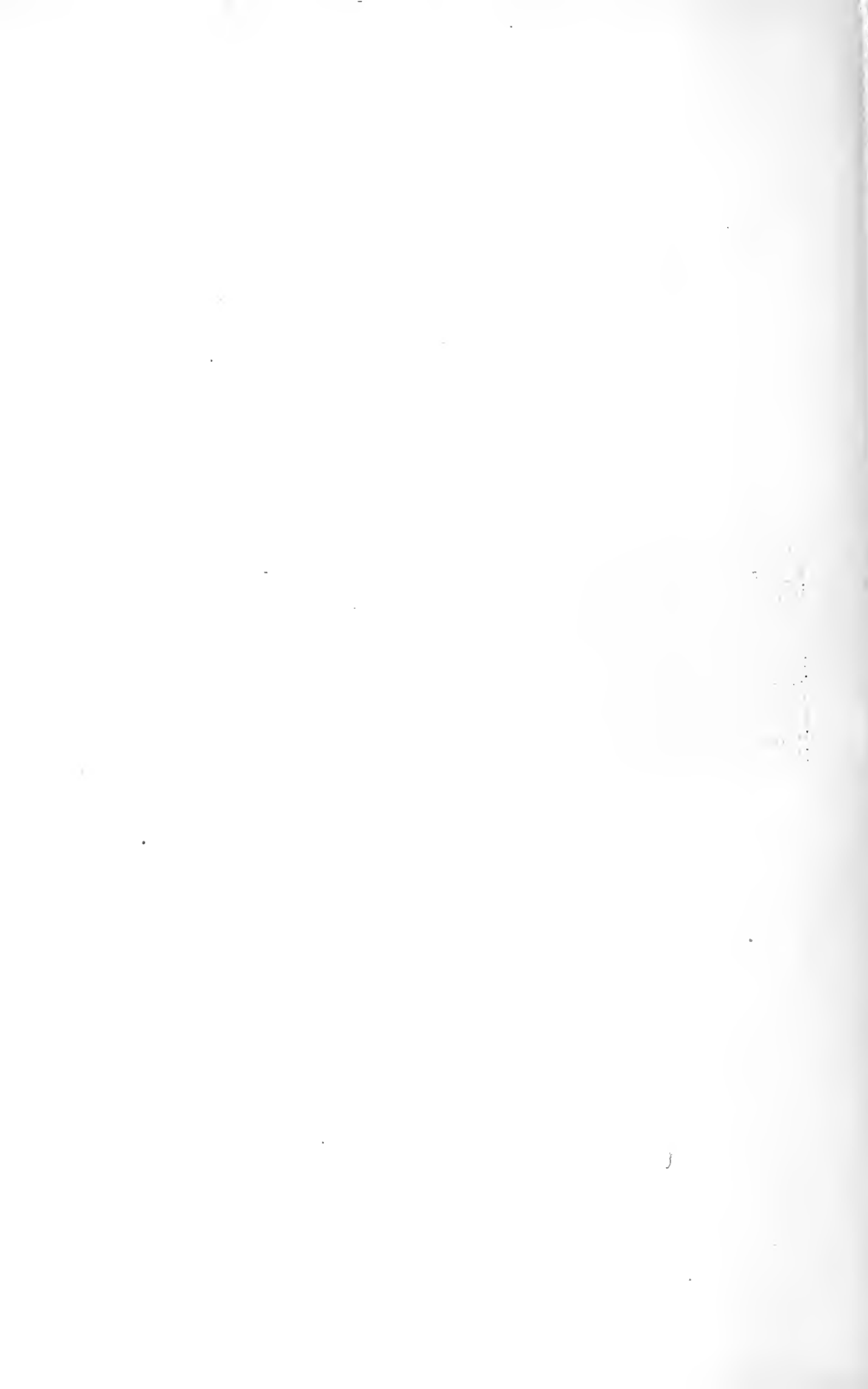
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MESSAGE

To the Congress of the United States:

As required by section 21 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," I transmit herewith, for the information of the Congress, the report of the Governor General of the Philippine Islands, including the reports of the heads of the departments of the Philippine government, for the calendar year 1930.

I concur in the recommendation of the Secretary of War that this report be printed as a congressional document.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

LETTER OF TRANSMITTAL

WAR DEPARTMENT,
Washington, December 3, 1931.

DEAR MR. PRESIDENT: I inclose the annual report of the Governor General of the Philippine Islands and the reports of the heads of the several departments of the Philippine Government for the calendar year 1930, together with drafts of messages for your signature transmitting them to the Congress, as required by section 21 of the act of Congress, approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands."

I believe that this report, with its appendixes, should be printed, as they contain valuable and historical information, and I so recommend.

Respectfully yours,

PATRICK J. HURLEY,
Secretary of War.

The PRESIDENT,
The White House.

ANNUAL REPORT OF THE GOVERNOR GENERAL OF THE PHILIPPINE ISLANDS

OFFICE OF THE GOVERNOR GENERAL,
Manila, P. I., May 1, 1931.

SIR: I have the honor to submit the following annual report for the year 1930.

The Philippine Islands naturally did not escape the economic depression which the entire world is undergoing. However, it appears that the islands have not suffered nearly as much as other countries. It is true that the prices of our principal products have fallen, in some cases to the lowest level of 40 years, but increased volume has to a certain extent made up for loss in price. Particularly fortunate has been the production of an unusually large rice crop, practically sufficient for home consumption. This has saved to the islands the several million pesos which have usually been spent abroad for the purchase of rice.

Government revenues necessarily decreased to a considerable extent and it can not be said that the general economic situation is good. In spite of this, there has been little or no actual physical suffering, due to the comparatively simple organization of society in the islands, to the climate, to the ease of living, and to the splendid feeling of family responsibility which is traditional among the Filipino people.

Despite these favorable factors, however, there is no question that the one thing which saved the Philippine Islands from a major economic disaster was the free access to the enormous American market. We could not have sold our sugar and many other crops in any other market under the fierce competitive conditions and low prices now prevailing. The financial, political, and social effects which would have followed the loss of this market under the existing circumstances can hardly be estimated.

While the governmental revenues decreased, a balanced budget has been maintained and private business seems to be in as sound a condition as could be expected. There have been comparatively few bankruptcies and the country has been fortunate in having a number of sound banks which appear to have been excellently managed.

Taken as a whole, it is evident that both the government and private business are in a much better position to withstand a prolonged economic depression than was the case in 1921, when both government finances and private business, due to a prolonged prior prosperity and widespread overexpansion, were in a very serious condition.

Aside from the immediate economic situation, conditions as a whole have not been unsatisfactory. Health conditions have been excellent, with the exception of a brief outbreak of cholera, which was, however, brought under control by the widespread use of vac-

cination. This prevented the terrible death tolls which resulted from former outbreaks of this dread disease. Peace and order have been good. As is to be expected during such times, there has been some unrest among the laboring classes, but nothing of a serious nature has developed. The fact that 1931 is an election year probably had some bearing on the few strikes which occurred.

THE CABINET

With the exception of the secretary of public instruction, which office is held ex-officio by the Vice Governor General, there were no changes in the membership of the cabinet. The secretaries conducted the affairs of their departments with ability, intelligence, and courage. I wish to express my appreciation of the loyal cooperation with my administration by the members of the cabinet, individually and collectively.

THE COUNCIL OF STATE

The council of state, an advisory body composed of the legislative leaders and the department secretaries, rendered valuable service in promoting an interchange of views between the legislative and executive branches. It is particularly useful in budgetary problems. In order that this extra-legal body may justify its establishment, however, the legislative members must receive the full support of their colleagues in carrying out the views expressed by them.

RESULTS OF LEGISLATIVE SESSION

The third and final session of the eighth legislature began on July 16 and closed on November 8. The largest number of bills in the history of the Philippine Government was approved in this session. Much of this legislation was highly constructive and indicated a high degree of leadership on the part of the responsible leaders of the legislature. Of equal importance was the attitude of the legislature in carefully considering and rejecting a considerable amount of unwise and unnecessary legislation. By informal conferences between members of the legislature and the executive departments a great deal was accomplished in avoiding legislation which would have necessitated unfavorable action by the Governor General if enacted. The members of the legislature displayed a very commendable desire to work in harmony for the best interests of the government.

IMPORTANT LEGISLATION APPROVED

A total of 211 measures were passed by the legislature and submitted to the Governor General, of which 147 were approved and one was allowed to become law without action. Among the more important measures which were approved was one increasing the number of judges of the supreme court from 9 to 15. The court has been badly congested for some years and this measure provides long-needed relief.

Another important measure was a special appropriation of ₱200,000 for a study of tuberculosis. This disease is now estimated

to take 32,000 lives annually, and it is vitally necessary to provide for a definite program preferably over a period of years for its prevention, care, and treatment.

The legislature also completely revised the Penal Code. Many of the provisions dated back to Spanish times and were completely out of date. Certain unfortunate amendments were slipped into this bill at the last moment which are very objectionable and I am confident would not have passed if attention had been called to them. However, the bill as a whole was such a vast improvement over the old code that it was considered advisable to approve the bill as it stood on an understanding with the leaders of the legislature that before the code went into effect in 1932 steps would be taken to correct the few parts which were undesirable.

Pending the formulation of a definite policy for the future operation of all electrical communications in the islands, the legislature made provision for the temporary management, definitely limited to December 31, 1931, of nine Government radio stations which had formerly been operated by the Radio Corporation of the Philippines. This bill authorized the secretary of commerce and communications to make a thorough survey of all electrical communication services in the islands with a view to making suitable recommendation for their consolidation into a single unit. If a plan is properly developed, it will be possible to combine the advantages of private operation with strict governmental control, will prevent a great deal of unnecessary and expensive duplication of services and furnish a vast improvement over existing conditions. The islands have an opportunity possessed by few countries to work out a coordinated system of communications on modern, progressive, and efficient lines.

Two important bills were those amending the law creating the text book board and the board of directors of the postal savings bank to make them comply with the opinion of the Supreme Court of the United States in the Board of Control case. By removing their illegal features the boards will now be able to function legally.

The legislature took favorable action on the recommendation contained in my annual message that provision be made for the remission of taxes on articles imported into the islands with a view to reexportation. Favorable action was also taken on the recommendation that laborers and material men engaged in subcontracting work for the government should be given protection by the government exercising supervision over the original contractor and requiring him to carry out his subcontract. Other measures which were recommended by the executive departments to the legislature for favorable consideration, in addition to those mentioned above, and which were enacted into law, were provisions exempting from income tax corporate dividends received by corporations and standardizing weights and measures used in domestic trade. A measure amending the game laws, following the recommendation of a special committee appointed by the Governor General, was another illustration of the willingness of the legislature to give careful consideration to measures recommended by the executive departments of the government.

A bill aimed to prohibit fraudulent marking and advertisement of goods was approved. This will help to prevent the dumping of

misrepresented and shoddy goods in the Philippines by unscrupulous manufacturers and importers.

Provision was made for the employment of experts by the legislature to assist in the general revision of the tax and tariff laws. There is urgent need that the present machinery-producing revenue for the government be revised, and it is essential that a thorough and careful study be made of the whole situation before any legislation be approved.

An act which should go far to correct the necessity for numerous vetoes, which have been necessary in the past due to hastily and ill-drawn legislation, was one creating a legislative service office to furnish technical assistance to the legislature.

With respect to measures affecting the finances of the government, the general appropriation act was finally passed in a total amount one-half million pesos less than the sum fixed in the budget. The public works bill, on the other hand, called for an appropriation of the exact amount recommended in the budget for public works, but the distribution made by the legislature differed in that substantial reductions were made from items recommended in the budget and other items substituted. As these items had not followed the approved budgetary procedure, they were all vetoed, the total amount thus reduced from the public works bill being ₱684,000. The general appropriation act was approved as passed.

Five measures were passed requiring the executive approval of the President. These were: Providing for an increased tariff on cement; controlling the disposition of timber on mineral lands; providing for the leasing of forest lands for special purposes; authorizing the Governor General to designate parts of the public domain as reservation for airports; and exempting refractory gold ores and sugar molasses shipped from the Philippine Islands to the United States or possessions from wharfage tax. All of these bills have been approved by the President.

VETOED LEGISLATION

It was necessary to disapprove 63 bills. Most of the vetoes were due to faulty phraseology or ill-considered ideas. Others, such as certain measures amending the tariff and tax laws, were disapproved to enable a study of the entire situation to be made. In this connection it appears that a large number of the vetoes were made necessary by the unfortunate habit of the legislature of taking up too late in the session matters of fundamental importance. A study of the bills which were vetoed reveals that of the 67 measures passed in the first 99 days of the session, only 9, or 13.4 per cent, were vetoed, while of the 144 bills passed in one or both houses on the last day of the session, 54 had to be disapproved, or 37.5 per cent. As pointed out in separate messages to the legislature, this was due in many instances to a failure on the part of the legislature to express clearly its meaning and intent. Even such important measures as the public works bill and the amendment to the Penal Code were passed by both houses in the final session during which 144 bills had to be finally considered. It is believed that the provision before mentioned for expert technical assistance to the legislature will aid materially in removing the necessity for many such vetoes.

The situation with regard to the delay in the submission of bills to the Governor General, which has been a serious embarrassment in the past, was greatly improved following the 1930 session. Considering the large number of bills which were approved during the final session, they were forwarded to the Governor General within a fairly reasonable time, although a few of the most important bills were received so late as to be embarrassing. It would be of further assistance also if the legislature could make provision to provide the Governor General with English copies of the bills earlier than has been done in the past. With a proper organization of the technical staff which was provided, it is hoped that this matter can be still further improved in succeeding years.

LEGISLATION AFFECTING ECONOMIC DEVELOPMENT

As an indication of the administration's attitude toward the question of economic development, the following extract from the message of the Governor General to the legislature delivered at the opening of this session is quoted:

During the past year I have visited nearly 40 out of 49 Provinces, several more than once. When asked regarding their needs, everywhere the municipal and provincial authorities made the same answer—more money. More money for roads and bridges, more money for schools, more money for hospitals, more money for medicines, more money for all sorts of public improvements. The cry was always the same, and it was always justified. The same thing is true with insular needs.

We can not progress—indeed, we will go backward—unless we have more revenues. We must meet a practical situation practically. We need more economics in our politics, less politics in our economics. Government is essentially a practical business. Words, no matter how eloquent, will not solve our problems. Sound common sense, not high-sounding phrases, are needed. True progress in government is measured not by abstract theories, eloquent verbiage, abstruse doctrines, but by high standards of living for all the people, by advancement in culture, by the physical, mental, and moral well-being of its citizens. The condition of the average man, not of the powerful, is the standard by which we will be judged.

Let us face the situation. It is estimated that at the rate we are going it would take about 30 years to carry out even the most pressing needs of to-day, not to mention other less pressing but highly desirable matters and the new needs that will arise in the future. The prospect is depressing unless governmental revenues—municipal, provincial, and insular—be increased.

How can these revenues be increased? Except perhaps to a minor degree, it can not be done by increasing taxation. The only way is to increase the taxable wealth of the islands through economic development. I have no hesitation in stating my firm conviction that economic development is the most important problem of the Philippines, that it underlies all other problems, and that until it is solved our other problems are largely insolvable.

One sad feature of our present situation is that it is the long-suffering, the uninfluential, the uncomplaining *tao* who suffers; not the rich man, the leader, the influential. The rich man can look out for himself and his family; the poor man can not. It is our duty to help the poor man help himself. If we are to do this, we must develop the taxable wealth of the country in order that he may have schools, roads, hospitals, and many other needed things. That a country so rich in natural resources should remain so undeveloped economically is a challenge to your statesmanship.

The secretary of agriculture and natural resources estimates that at the present rate of cultivation of our available public lands it will require at least 350 years before the public domain can be fully developed and registered. This land is a potential source of tremendously increased national wealth, of urgently needed revenues to municipalities, Provinces, and insular government alike. If developed, the taxable resources, the opportunities for labor, the

settlement of unoccupied lands, would solve our pressing problems. Conservation does not mean keeping this land idle; it means that it should be put to productive uses.

It is true that legislation can not of itself develop land. It can, however, immensely promote or hinder its development. When we consider the immeasurable effects of this development upon the welfare of the present and of future generations yet unborn, when we consider what tremendous benefits would accrue to the poor, the sick, the oppressed; when we consider the rights of our labor to the opportunity here offered for gainful employment, the responsibility of the legislature to present and future generations of Filipinos is plain. That responsibility can not be evaded, altered, shifted. It rests on your shoulders, and on yours alone.

There are faint-hearted ones who seek to evade this responsibility by raising the bogey of "exploitation." In this day and age there is slight danger of exploitation by large units of capital. It would be universally condemned and proscribed. There is far more danger in a country like the Philippines of exploitation by a large number of small units controlling unnoticed the economic life of the country than by large units, which must necessarily work in the open, always subject to drastic regulation and control. Unlike the faint-hearted, I have the utmost confidence in the wisdom, courage, and ability of the Filipino people to control any attempted exploitation of their natural resources by large aggregations of capital. If with the cordial, strong, sympathetic backing of the United States Government they can not so control their economic development, they have little hope of successfully developing the future progress and prosperity of their country.

I have laid such stress upon the importance of economic development because of my firm conviction, based upon study, visits to all parts of the islands, discussions with local authorities that this problem is the foundation of all our other problems. Every problem I have mentioned to-day, practically every other important problem, whether social, cultural, or political, goes back to the fundamental issue. Until it is solved I do not see how the others can be solved. We can drift along, making perhaps a little progress now and then, but actually going backwards by comparison with other countries, or we can boldly and courageously grapple with the problem, to the untold benefit of not only the present but of future generations.

By adapting the best of both eastern and western civilizations to our own needs we can face the future with serene confidence. Proud of our inheritance from the east, proud of our partnership with a great nation of the west, we are determined to march ever onward and upward.

As your friend, with no selfish interest to serve, desirous only of the welfare of the Filipino people, and especially the poor, the sick, the helpless, and above all the children, I most earnestly urge that you give your best thought to this all-important subject.

It was a matter of regret that more attention was not given by the legislature to questions involving a broad program of economic development, which is fundamental if the islands are to progress.

CONFIRMATION OF APPOINTMENTS

All judicial appointments were confirmed by the senate as were practically all appointments to minor offices. This is the first time that this has happened in a long period of years.

The legislature deserves high praise for its cooperative spirit in confirming executive appointments.

DEPARTMENT OF PUBLIC INSTRUCTION

The Hon. E. A. Gilmore, who was originally appointed as vice governor and secretary of public instruction on January 26, 1922, submitted his resignation on May 31, 1930, which was accepted by the President effective on June 20, 1930. The Hon. George C. Butte was appointed to take his place on December 4, 1930, was confirmed by the senate on December 9, and took the oath of office on December 31.

BUREAU OF EDUCATION

One of the most important events affecting education during the year was a study of vocational education by Dr. Charles A. Prosser, an international authority on this type of education. After an intensive study of the entire system of vocational education, he submitted a very valuable report pointing out the weaknesses of the present system and making detailed recommendation for its improvement.

The idea of purely academic as distinguished from vocational education has been so firmly entrenched during the past 30 years in the minds of all concerned that it is with regret that one is compelled to admit that so excellent a report received so little consideration. This is doubly unfortunate at this particular time when the schools are turning out such large numbers of graduates who can look only to the already overstaffed civil service and teaching professions for employment. With a country so rich in opportunity for development by the man who has even a slight mechanical or agricultural knowledge and the willingness to use his hands, it is indeed unfortunate that it seems so difficult to wean the people away from the fancied benefits of academic education. While it is true that the percentage of enrollment in industrial courses is increasing and an increasing amount of industrial work is being done in connection with the academic work in all grades, these activities, except in the comparatively few industrial schools, are generally secondary to the academic instruction.

The schools, by reason of some increases in appropriations, were able to provide for 35,000 additional children. The percentage of children of school age enrolled in the public schools has increased to 37.62 per cent.

The teachers in the public schools have greatly improved their qualifications as evidenced by the fact that in 1930 the percentage of teachers who had completed the seventh grade only had dropped to 7.43 per cent as against 63.64 in 1920.

The insular government allotted nearly ₱21,000.00 for school purposes in 1930, a large part of which should have been, and ultimately must be, borne by the provincial and municipal governments.

The public schools are a very useful medium for the dissemination of valuable information to the people as a whole; this is particularly true with regard to training of the people as a whole in matters of sanitation and diet. For this purpose school nurses who work in close cooperation with the bureau of health have proven to be very valuable.

PRIVATE SCHOOLS

Private schools under careful supervision by the government now carry an appreciable fraction of the burden of education. Particularly is this true in the field of secondary education, where almost half as many students are accommodated as in the public secondary schools.

The question of some relief for the government may ultimately have to be decided by the government concentrating on the lower grades and leaving secondary education to private initiative.

PUBLIC HEALTH

The estimated crude death rate for 1930 (23.08 per 1,000) was slightly higher than the 1929 rate (21.70 per 1,000) due to the occurrence of both cholera and measles in epidemic form. Following a 3-year period of freedom from cholera, a few cases occurred in Surigao in March, 1930. These cases were easily controlled, but during May the disease appeared on the island of Bantayan, Cebu. Throughout the islands there were 5,094 cases, with 3,074 deaths. Most of these cases occurred in the Visayan group of islands, 4,014 of the number being furnished by Occidental Negros, Iloilo, and Cebu. In Manila there were only 49 cases with 14 deaths. The fact that the disease did not spread as widely as in previous epidemics was due to a better understanding of sanitary measures and to prompt vaccination of great masses of the population.

There were 1,381 deaths reported as due to measles during the year, but no doubt many deaths chargeable to various types of respiratory disease were primarily due to measles.

Tuberculosis caused about 33,000 deaths. Legislation was enacted during the year authorizing the expenditure of ₱200,000 by a special tuberculosis commission, which has been appointed and is now at work investigating the various aspects of the disease as it occurs in the Philippines.

Typhoid fever showed a still further reduction throughout the islands. Only 935 deaths were reported. Dysentery increased somewhat in the provinces, but showed a decrease in Manila.

There was a reduction of 2,000 deaths due to beri-beri. However, this disease is still very prevalent in districts where polished rice is a staple article of diet. An investigation of the rice used in Pangasinan showed that 80 per cent of the samples were of a very high polished variety.

Five hundred and twenty lepers were released on parole, leaving a total leper population under observation of 6,849. A large modern treatment station was opened in Cebu during the year. This was made possible by the generosity of Mr. Eversly Childs through the Leonard Wood Memorial. The memorial has under construction at Culion a modern laboratory building and two sets of officers' quarters. Plans were made for an international meeting of leprologists to be held here in January, 1931, the memorial to finance the entire cost of the meeting.

The International Health Board has two physicians on full-time duty in the Philippines. The two additional visiting professors at the school of hygiene and public health, supplied by the board for the past two years, will not be replaced after the end of the present academic year. Ground was broken in December for a new wing of the medical school to house the school of hygiene. This was made possible by a gift of ₱300,000 from the board.

Four new provincial hospitals were opened during the year and a new leprosy treatment station at Zamoanga is 95 per cent completed. The skin clinic at Cebu has been moved from the district health officer's office to a new modern concrete building.

BUREAU OF QUARANTINE SERVICE

That it was possible to keep the cholera situation under control is due in no small part to this bureau for its prompt and efficient assistance in the control of interisland vessels.

Plague and smallpox, while not present in the islands, were present to some extent in other parts of the Orient and required constant vigilance.

The executive order of the United States Public Health Service concerning meningitis, which was put into effect in 1929, required 14 days' observation prior to embarkation. This was continued to August 1, 1930, when it was reduced to five days, and on October 6 to four days, as the threat of the disease seemed to have disappeared.

DEPARTMENT OF FINANCE

The report of the secretary of this department, while showing the effects of the general depression, is not so discouraging as might perhaps be expected. The revenues from ordinary sources amounted to ₱81,638,810.05 as against ₱87,270,576.36 for the previous year, while the ordinary expenditures of the government amounted to ₱79,878,793.54 as against ₱77,833,838.83 for the previous year.

There were extraordinary expenditures during the year, however, of over ₱15,000,000. Over ₱9,000,000 of this was for the purpose of retiring the Manila port works 5½ per cent bonds due in 1950, but redeemable in 1930. On account of the high rate of interest, provision was made in 1929 for retiring these bonds from accumulated surplus. This will mean an annual saving of approximately half a million pesos in interest during the next 20 years.

A million pesos of the balance was used for the purchase of additional stock in the Manila Railroad Co. to enable the company to proceed with the work of closing the gap in their southern lines. Five million pesos were set aside as a revolving fund for the construction of bridges as provided by the legislature under Act No. 3500. This act contemplates the construction of toll bridges from the fund to be reimbursed by tolls collected.

The government surplus at the end of the year amounted to over ₱40,000,000, of which, however, a considerable part has already been obligated, leaving an unappropriated surplus of about ₱12,500,000.

The bonded indebtedness of the government decreased by ₱5,050,000 during the year, due to the redemption of Manila port works and improvement bonds amounting to about ₱12,000,000. Additional bonds were sold amounting to about ₱4,000,000 for the improvement of the ports of Iloilo and Cebu and ₱3,000,000 for the Metropolitan water district.

The total bonded indebtedness of the insular, provincial, and municipal governments amounts to ₱172,587,000, for which sinking funds amounting to ₱67,557,863.29 have been set aside. The debt limit of the islands as provided in section 11 of the organic act is now computed at ₱210,338,933.

The gold-standard fund, which the law requires shall be maintained in a sum not less than 15 per cent of the money of the Philippine Islands in circulation, had a cash balance at the end of the year of over ₱34,000,000, representing 28.82 per cent of the money in circulation.

The treasury-certificate funds, equal to 100 per cent of all treasury certificates in circulation, amounted to ₱97,922,396 at the end of the year. Both the gold standard and Treasury certificate funds, with the exception of sufficient working capital in Manila in silver coins and United States currency, are kept in gold deposit accounts in member banks of the Federal reserve system.

From the above it will be seen that the financial affairs of the government at the end of the year were in a fairly sound position. However, the end of the depression, in so far as it affects the Philippine Islands, has by no means been reached and present indications are that government revenues for the year 1931 will fall far below those for the past year. Government financing is being planned with that expectation, and while heavy sacrifices may be necessary, with careful management the government should not be placed in any position which need cause unduly drastic remedies.

THE PHILIPPINE NATIONAL BANK

Despite adverse business conditions and low money rates, the operating results of the Philippine National Bank for the year 1930 were quite satisfactory. The net operating income, before charges to profit and loss on account of bad debts and other losses written off, amounted to approximately ₱2,786,000, an amount approximately ₱621,000 less than the net income for 1929, after eliminating from that income interest collected from the sugar centrals in Negros which properly belonged to previous years. In line with the conservative policy adopted by the board of directors of the bank with respect to eliminating from the assets as carried on the books the remainder of worthless loans carried over from the boom days of the war and postwar period, the total net income in 1930 was used for the purpose of eliminating such loans and creating a substantial reserve against future contingencies.

As of December 31, 1930, the total loans and discounts of the bank amounted to more than ₱49,000,000. The secondary reserve consisting of liquid short-term paper and readily marketable bonds amounted to more than ₱22,000,000. On that date the bank had on hand and on deposit with other banks cash amounting to nearly ₱16,000,000. Total cash plus secondary reserve amounted to more than 50 per cent of the combined deposit and note circulation liabilities of the institution.

As of December 31, 1930, the bank had total capital, surplus, and reserves amounting to ₱20,300,000, or ₱600,000 more than in 1929. The capital surplus and reserves at the end of 1930 amounted to more than 28 per cent of the total actual liabilities of the bank.

During the year the bank adopted a number of policies which will still further strengthen its position. The more important of these policies were considered at length in a series of letters written by the Governor General to the president of the bank. Those letters are made a part of this report and appear as appendices.

The system of granting sugar-crop loans has been placed by the bank upon a more economical basis to accord with the reduced prices of sugar. Definite steps have been taken to curtail the concentration of the bank's investments in the sugar industry. All questionable assets carried over from past years are being charged off or offset by adequate reserves. Committees have been appointed to improve the efficiency of the accounting system of the institution and the method of internal supervision of its affairs with a view to effecting greater economies in the administration as well as the promotion of greater efficiency among the employees. The granting of long-term agricultural loans has been placed upon a more conservative basis on account of the prevailing economic depression.

In general, the management of the bank has taken or is taking all the steps considered necessary to complete within a short time the work of rehabilitation which was begun six or seven years ago and which has made such notable progress since that time.

Since the approval in 1924 by the Philippine Legislature of Act No. 3174, known as the rehabilitation act, the circulating notes of the bank have been reduced from ₱32,366,000 to ₱9,516,000, or to an amount well within the legal maximum fixed in that act.

During the year under review the four sugar centrals in Occidental Negros, which are still financed by the bank, were able to reduce the principal of their old indebtedness in the total sum of approximately ₱2,659,000. Their total indebtedness on capital account amounted on December 31, 1929, to ₱25,190,000, as compared with ₱48,227,000 on October 31, 1926, which represented the maximum amount of such indebtedness.

OTHER GOVERNMENT-OWNED COMPANIES

The National Development Company, which is capitalized at slightly under ₱6,000,000, owns stock of the Cebu Portland Cement Co. to the value of ₱2,750,000. The investment in the National Coal Co. amounted to about one and three-fourths million pesos, which, as the National Coal Co. has now been liquidated, has only a nominal value. The Cement Co., however, earned a net profit of approximately 20 per cent as against 24 per cent during 1929.

The business of the Manila Railroad Co. was seriously depressed, its net income dropping from ₱3,160,000 in 1929 to ₱1,111,000 in 1930. However, it was able to reimburse the Government in the amount of ₱250,000 for funds advanced by the Government to pay the interest on the railroad bonds.

TRADE WITH THE UNITED STATES AND FOREIGN COUNTRIES

The total foreign trade dropped from ₱623,000,000 in 1929 to ₱512,000,000 in 1930, the value of the imports being ₱246,000,000 and exports ₱266,000,000, leaving a trade favorable balance of approximately ₱20,000,000. This drop in trade was caused primarily by decrease in prices of the principal exports and not by decrease in bulk. As mentioned before, a study of the statistics of imports and exports leads inescapably to the conclusion that the major factor which has prevented the present depression from reaching the

proportions of a major disaster has been free trade with the United States. The trade balance between the Philippines and the United States was favorable to the islands in the amount of ₱54,318,000. Trade with European countries practically balanced, but with neighboring oriental countries an unfavorable balance of ₱35,000,000 was registered. Exports to Japan, for example, were only about 60 per cent of those of the previous year, while she alone of all countries shipped into the islands products of greater value than the previous year. Japanese imports amounted to nearly ₱26,000,000, an increase of over ₱2,000,000, while exports to Japan dropped from ₱14,000,000 to ₱8,000,000.

It is significant that trade with the United States, which constituted 72 per cent of the total trade as against 70 per cent of the total for the previous year, decreased only about 15 per cent, while trade with all other countries decreased 23 per cent in the total and 30 per cent in the export trade. In other words, without the benefit of free entry to the American market, it is evident that the islands, with the increasingly unfavorable balance of trade with foreign countries, would have been in a decidedly serious situation.

That this free trade is not without benefit to the United States may be seen from the fact that the percentage of total imports furnished by the United States has steadily increased over the last 10 years. Cotton goods, automotive supplies, machinery, particularly electric machinery, canned milk, and wheat flour have, over a period of years, been purchased in increasingly large quantities from the United States. According to the annual report of the American trade commissioner in Manila, the Philippine Islands constituted the largest market on the absolute basis of dollar value for American cotton piece goods and canned milk, and among the largest for wheat flour, tinned fish, fruits, vegetables, and a number of other articles.

In this connection the following extract from a report submitted to the Bureau of Foreign and Domestic Commerce, Department of Commerce, Washington, D. C., by Mr. Evett D. Hester, American trade commissioner, Manila, is of interest:

The value of free trade to the two countries is naturally unequal in relative value:

(1) Without free trade Philippine products in 1929, before the enactment of the higher tariffs of 1930, would have paid \$117,000,000 in duties to enter the American market, an amount equal to over 35 per cent of the value of Philippine exports to all countries and over three times the favorable trade balance in that year. Also, this sum is nearly twice the budget of the insular government. On the contrary, American goods paying Philippine customs duties would have suffered a much smaller amount, approximately ₱32,600,000 (\$16,300,000), a small sum in an industrial country of such proportions as the United States.

(2) In 1929 American takings of Philippine products was 76 per cent of all Philippine exports, whereas Philippine purchases from America constituted only 1.6 per cent of all American exports.

(3) In 1930, Philippine-American trade showed a visible balance of nearly ₱55,000,000 favorable to the Philippines, whereas Philippine trade with all other connections showed an unfavorable balance of about ₱35,000,000. For example, Japan, second to the United States in Philippine trade, was the only country of any importance to increase its sales to the Philippines during the difficult year of 1930. The increase was both in value and share of total. At the same time Japan decreased her purchases from the Philippines in greater ratio than did any other sizable trader. For many years trade with Japan

has produced a visible deficit for the Philippines and the unfavorable balance in 1930 at ₱17,000,000 was nearly double the unfavorable balance of 1929.

But there are significant counter facts to the described inequality. The products which the United States takes from the Philippines would in any event be purchased from overseas sources, as they are mainly tropical goods which can not be produced, or at least produced in sufficient quantity on the continent. In the Philippines, American citizens and capital are largely engaged in local purchase, elaboration, and export of these products. Of the products which the Philippines buy from the United States, cheaper lines in many items might be obtained from non-American sources. The decline in Philippine income through a cessation of free trade with the mother country and consequent lower living standards would impel island importers to seek cheaper goods or like goods from nearer sources and as a result the United States would lose not duties but entire blocks of trade except in certain specialties of a mechanical nature where American manufacturers, in spite of their high labor costs, are able to produce at a lower price than those of any other country. In these latter items the lowered purchasing power would effectively restrict the market.

Another general consideration rests in the fact that in the absence of free trade and with the Philippines enjoying full autonomy in tariff matters, and under the necessity of raising revenue, it is distinctly probable that the prevailing duties in the Philippines (which are, in general, those of the United States tariff act of 1909) would be considerably increased and the tariff cost of bringing in the same quantity of American goods as in 1929 would be closer to ₱60,000,000 (\$30,000,000) than to the ₱32,600,000 (\$16,300,000) waived under free trade in that year.

The argument that Philippine sugar competes with continental production is weakened so long as America imports the commodity from Cuba. As conditions now stand, a ton of Philippine sugar merely replaces a ton of Cuban. If it be said that American capital controls Cuban production, it may be recalled that American citizens and the Philippine National Bank, for which the United States is responsible, together control Philippine production.

In the cases of manila hemp and copra, free entry is accorded these products from whatever source. If the American dairy interests find coconut oil competitive, it remains a fact that the Philippines are the largest market on an absolute dollar basis for American tinned milk protected by an insular duty which would be lost in case of withdrawal of free trade. The Philippine Legislature is about to undertake a scientific examination of general taxation, including tariff, and it would appear a reasonably probable act of reciprocity to increase the duties on dairy products to the point which would insure to American dairy interests the Philippine butter market which now falls elsewhere. Further, American world traders have built up a considerable business in export of coconut oil. In 1929 it lead all other vegetable-oil exports from the United States except cottonseed oil which only narrowly exceeded it.

In the case of desiccated coconut the 1922 tariff rate against the foreign product merely served to remove the industry from a British colony to an American territory and to place its production in the hands of American capital rather than foreign.

As regards handmade embroideries and hats, their combined value is insignificant and the items are not produced in the United States.

All careful observers conclude that since the institution of free trade in 1909 Philippine production, carrying with it wages, standard of living, and import purchasing power, has progressively keyed itself to the American market. It appears entirely unlikely in view of lower production costs and of overproduction of the same or substitute commodities in other tropical countries, that Philippine exporters could find profitable non-American markets. The interrelation in the 20 years of free trade has become so strong and so profitable to both the local producer and the American exporter that any essential modification of free trade would prove an economic and social disaster to the Philippines and a sensible loss to the United States.

IMPORTS

Iron and steel goods, three-fourths of which was imported from the United States, constituted the largest item of import. Cotton goods, which in the past had led the list of imports, dropped to second place. The percentage of cotton goods imported from the United

States dropped by approximately 12 per cent. These imports were lost to Japan, which increased the percentage of cotton goods furnished from 20 per cent in 1929 to 30 per cent in 1930. Mineral oils, automobiles, meat and dairy products were all imported in lesser quantities with the percentage of the total furnished by the United States remaining approximately the same. Due to a large amount of electrical development, electrical machinery, apparatus, and appliances alone of all imports increased by 31 per cent. Ninety per cent of these articles came from the United States. As in the case of cotton goods, the importations of silk from Japan have increased and those from the United States decreased.

EXPORTS

With the single exception of knotted hemp, all the exports from the islands decreased. Coconut oil, abaca, embroideries, and copra meal decreased in amounts ranging from 34 to 50 per cent. These decreases, however, were caused more by decreases in the basic prices than by decrease in the volume of the exports.

PORTS OF ENTRY

Most of the imports into the Philippines come in through the port of Manila, as evidenced by the fact that at this port was collected 81 per cent of the total customs collections. The port is well equipped to handle this business, the only difficulty in the past having been that the bay is rapidly filled with silt. However, a new dredger was placed in service during the year and has been working steadily since that time. It is expected that the bay will be soon dredged to a sufficient depth to accommodate the largest vessels which call at Manila.

A study of the commerce handled by ports other than Manila illustrates the importance of the improvement work which is now going on at these ports, which have been somewhat neglected in the past. The five ports of Cebu, Iloilo, Zamboanga, Davao, and Legaspi handled 31 per cent of the total export and import trade of the islands, most of which was exports, approximately 51 per cent of the exports of the islands having been shipped from these ports. With the improvements at Cebu and Iloilo, which were completed during the year, it is probable that this percentage will be still further increased, as they are more centrally located for the handling of a large part of the hemp, copra, and sugar exports.

FOREIGN CARRYING TRADE

More than 44 per cent in value of the merchandise carried by different vessels was carried by American vessels. This is approximately the same percentage of the total as was carried by American vessels last year. Among other countries, the most noticeable change was the drop in the percentage of merchandise carried by British vessels from 28 per cent to 24 per cent and the increase in the value carried by Japanese vessels from 8 per cent to 12½ per cent.

BUREAU OF INTERNAL REVENUE

Collections by the bureau of internal revenue amounted to over ₱55,000,000, a decrease of slightly over ₱4,000,000 from the previous year. Of this amount over ₱45,000,000 is allotted to the insular government, the balance going to provincial and municipal governments. A large part of the internal-revenue collections is derived from the percentage tax of 1 per cent on all business and on certain kinds of business $1\frac{1}{2}$ per cent. The total collections from this tax amounted to ₱16,000,000, a decrease of about ₱3,000,000. This tax is a source of considerable complaint from business men, but in the absence of a substitute to provide adequate revenues it does not appear feasible to discontinue it at the present time.

DEPARTMENT OF THE INTERIOR

BOLSHEVISTIC ACTIVITIES

For a number of years there has been a small group who were more or less active in attempting to spread the principles of Bolshevism. Their activities have been primarily centered in Manila, and they make no secret of the fact that they receive instructions and financial aid from the Soviet Government of Russia. They held some meetings in Manila and neighboring towns during the year, but no disturbance of public order has occurred. While it can not be said that they constitute a serious menace to the government or that they have any large following, nevertheless they are kept under close observation, and, in the few instances where their speeches have reached the seditious stage, charges of sedition have been presented in the court. In so far as ordinary labor in the city of Manila is concerned, such agitators have apparently a small chance of securing any large following, for the average laborer is a peaceable individual who realizes that in comparison with his status of some years ago he is now much better situated and he is consequently not generally led far astray by radical speakers.

When it comes to the activities of agitators in the Provinces, however, particularly among farm tenants and laborers, the situation is by no means so secure. The feeling among these people is rather widespread that they are ground down by usurious interest rates and are frequently deprived of lands which, rightfully or not, they believed they had a title to. Among such people the speeches of a professional agitator may find receptive listeners and the situation is one which requires careful watching. The remedy for this situation is, of course, better credit facilities for the small farmer and improvement in the land title situation. It is hoped that the report of the rural bank commission, which will be presented some time this year, will make some concrete recommendations for improvement in the credit situation. In so far as the land title situation is concerned, the report of the secretary of agriculture and natural resources, to be discussed later, reveals some improvement in this respect.

REGULARLY ORGANIZED PROVINCES

A general revision of the system of assessment, which has been under way for some time, resulted in an increase in the total assessed value of the taxable property of the 40 regularly organized Provinces of more than ₱53,000,000, which represented an additional revenue of about half a million pesos. While the condition which affected the insular government applied also to the Provinces and municipalities, the total revenues accruing to these government entities decreased by only half a million pesos.

ADMINISTRATIVE CASES

A considerable increase in the number of administrative cases against provincial and municipal officials and employees was noted. In most of these cases disciplinary action was taken by the department of the interior. Two cases, however, involving provincial governors were so serious as to require administrative action by the Governor General. Following continued reports that the provincial governor of Iloilo was countenancing and permitting open gambling in his Province, the governor general appointed Judge Montemayor, a judge of the court of first instance, who in previous similar cases had demonstrated a fearless and impartial attitude, as a special investigator. Judge Montemayor found the charges substantiated and the provincial governor was removed from office.

BUREAU OF NONCHRISTIAN TRIBES

Public order in these nine Provinces was unusually good during the year. While complete reports are not in, indications are that the collection of revenues will show slight improvement over the previous year. There was an increase in the assessed valuation of property of approximately ₱8,000,000.

ADMINISTRATIVE CASES

The most important administrative case in this bureau was the investigation of the provincial governor of Davao, who was removed from office upon recommendation of the committee which was appointed by the Governor General to investigate his case.

RESERVATIONS

During the year a reservation was set aside in Mindanao covering parts of the Provinces of Agusan and Davao in which non-Christians and Christians may meet as homesteaders and mingle to make up a new community. The purpose of this reservation is to enable the government to keep a closer check on settlers, whether Christians or non-Christians, and to protect them from designing persons who make a practice of exploiting ignorant men in new countries. This phase of settlements is familiar to pioneers of the western part of the United States and is carried on in much the same way in

Mindanao. The newcomer, better informed of procedure, will often talk the settler, who has cleared a tract of land, off his homestead, so that the newcomer will profit by his toil as a pioneer. Another method successfully worked is the newcomer takes advantage of the fact that the bureau of lands bases priority of claim upon priority of filing, instead of priority of occupancy, as is done in the United States. This enables the shrewd late comer to appropriate the toil of generations of non-Christian settlers and sometimes two generations of Christian settlers by making a paper filing upon the cleared and planted land.

It is believed that with a reservation of land large enough to occupy intended settlers for several years and with a corps of men imbued with the idea of service trained to administer this land and teach the settlers their rights as citizens, dissatisfaction, which has in the past been found in certain parts of Mindanao, toward the operation of the homestead law will be minimized. Other plans are in project to set aside smaller reservations in other parts of the special Provinces where the people of the future—the natural increase in population—will find a place in which to expand and occupy a place in the agricultural communities of the future near the houses of their fathers.

PHILIPPINE CONSTABULARY

In addition to the organization's regular duties of maintaining peace and order the constabulary rendered excellent service in connection with cholera quarantine duty, animal-disease quarantine work, and the leaf miner campaign in the coconut-producing Provinces.

CITY OF MANILA

The assessed value of taxable property in the city of Manila increased by 7,000,000 pesos, and as an exception to most other entities of the government the revenues of the city increased by more than half a million pesos. The value of new construction for which permits were issued amounted to eight and a half million pesos. Peace, order, and public health in the city were excellent.

CITY OF BAGUIO

This city, which is becoming more and more popular as a resort, had a very successful year. The gross revenues were increased and assessment of real property increased by over a million pesos. Aside from its attraction as a tourist and recreation center, there is a large and increasing amount of gold being mined in the vicinity of the city, which is a material factor in its prosperity. The number of visitors to the city in 1930 increased by approximately 20 per cent. Roads and trails leading out of the city to some of the most beautiful mountain scenery in the world have been improved, so that it is now possible to take with ease and comfort some very interesting trips. The possibilities for the future development of this region as a tourist and health center for the entire Orient are enormous.

DEPARTMENT OF COMMERCE AND COMMUNICATIONS

BUREAU OF PUBLIC WORKS

This bureau supervised the expenditure of over ₱29,000,000 during the year and completed the construction of 526.5 kilometers of first-class roads and a large number of important port works, public buildings, and bridges. The most important building which was under construction during the year was the new Manila post office, which was practically completed at the close of the year. The new and modern building, conveniently located, will fill a long-felt want. Probably the most important public-works project completed during the year was the reinforced pier and marginal wharf at Cebu to accommodate vessels of 30-foot draft and the completion of 700 meters of marginal wharf at Iloilo. These improvements will give these two cities harbor facilities commensurate with their growing importance as seaports.

There is urgent need for the adoption of a definite plan for road and port construction. The policy which has been followed in the past, particularly for the construction of roads, has resulted in the improvement of isolated stretches of roads in the construction of which political considerations had more weight than the actual need. As is usual in such cases, the result has been that many important roads which should have been improved have been neglected. The need for the adoption of a definite program is recognized by the secretary of commerce and communications, and I understand that he will present a plan to the next legislature. I strongly indorse the principle underlying the plan.

An investigation conducted by a committee appointed by the secretary of this department in the automobile division of the bureau of public works revealed a large number of irregularities in connection with the collection of automobile license fees. Forty-one persons were involved in these matters, seven of whom were dismissed from the service and criminally prosecuted and the others dealt with administratively. The work of the division has been completely reorganized and adequate measures taken to forestall a repetition of such an occurrence.

BUREAU OF POSTS

An administrative investigation of this bureau, which was started in 1929 by the secretary of the department and resulted in the dismissal of several minor officials of the bureau of posts during that year, was brought to a close during 1930. The report of the investigation committee revealed a condition of affairs so serious that the director of the bureau was required to resign for the good of the service.

BUREAU OF LABOR

The labor situation, in so far as the Philippine Islands is concerned, does not give any undue alarm. Labor in general is fairly well paid, particularly in comparison with other oriental countries, and is not inclined to make groundless complaints. The situation with regard to Filipino labor in Hawaii and on the west coast of the

United States, however, is a matter of considerable concern, particularly on the west coast. Over a long period of years a considerable number of Filipinos have settled in the Western States, where, until the recent economic depression in the United States, they apparently rendered satisfactory service in certain types of industries. With the present large amount of unemployment in the United States, however, large numbers have been thrown out of work and they have undoubtedly been the cause of considerable friction in labor circles. The principal problem of the insular government is to prevent further exodus of Filipinos to the States. Widespread publicity has been given to the newspaper accounts of labor disturbances there and to the fact that there is a great deal of unemployment and suffering among the Filipinos in the western part of the United States. The true facts regarding the situation are now becoming generally known and there is a much less tendency for adventurous young Filipinos to go to the United States. A great many of those who have gone in past years have been attracted there by highly colored accounts of success which had been obtained by the few, while nothing had been heard of those who were not so successful. Now that the other side of the picture is becoming known, a fewer number are going to the United States and a greater number are returning from there. This is borne out by the following figures showing the arrivals from and departure to the United States of Filipinos during the past few years:

Year	To United States		From United States	
	Male	Female	Male	Female
1930.....	4, 376	107	2, 066	253
1929.....	8, 370	198	1, 366	104
1928.....	5, 487	191	1, 122	99
1927.....	6, 574	113	864	80

In so far as Filipino labor in Hawaii is concerned, a total of 38,000 Filipinos have gone to the Hawaiian Islands during the last five years and 19,000 have returned from there. This emigration to Hawaii constitutes a different type altogether from that which goes to the United States. Most of them are carefully selected by representatives of the sugar centrals of Hawaii and go there for definite employment, in which, from all information, they are highly satisfactory.

BUREAU OF COMMERCE AND INDUSTRY

This bureau, following an investigation in 1929 by the department secretary, which revealed serious irregularities and resulted in the dismissal of a number of ranking officials, has been completely re-organized and a new director appointed.

Contracts were awarded during the year for two new lighthouse tenders, which are to be delivered early in 1931. These vessels, which have been badly needed for many years, will replace two old vessels constructed in 1907.

Interisland shipping, following the passage of Act No. 3418 in 1927, has shown considerable improvement. This act, by permitting competition on the various routes, has vastly improved the service. Several good-sized new vessels were placed in service, including a splendid new vessel, the *Mayon*, American owned, which was placed on the Manila-Cebu-Zamboanga-Iloilo run during the year. It offers accommodations and food which are comparable to those offered by the most modern steamers; and now that facilities are available for making this interesting trip to these ports with such comfort, it is becoming increasingly popular as a purely tourist vessel not only by visitors to the Philippine Islands but by local residents as well.

TOURIST MOVEMENT

The action of the legislature in 1929 in making a small appropriation for the promotion of tourist travel to the Philippine Islands has been shown to have been a step in the right direction. With the limited funds at their disposal, the Tourist Association has succeeded in securing very favorable publicity for the many scenic attractions of the islands. The possibilities in this direction are enormous. Experienced travelers who make the trip through the Mountain Province invariably report that the trip surpasses anything of its kind that they have ever experienced.

DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES

Agriculture, which always has had to contend with many natural hazards in the form of plant diseases, typhoons, etc., had to contend with a somewhat larger handicap in this respect than usual. The most serious was the leaf miner, an insect which attacked the coconut trees of 26 Provinces, the most serious infestation being in the four principal coconut-producing Provinces. This insect did enormous damage to the coconut plants of Laguna, Tayabas, Batangas, and Cebu, it being estimated at one time that 10,000,000 trees were infected, but at the close of the year it was estimated that about 500,000 trees still required treatment. In the last half year five typhoons passed over the islands, two in the month of September having done a great deal of damage to coconuts and abaca in Samar and the Bicol regions. It was estimated that the damages resulting from these typhoons amounted to nearly ₱30,000,000. In addition, in certain parts of the islands an unusually dry crop-growing season was experienced. These handicaps, coupled with reduced prices for agricultural commodities, which have been decreasing over a period of several years, greatly reduced the gross income per hectare, which was the lowest level reached in the last decade.

Contrary to a somewhat general understanding, there has been a marked degree of improvement and development during recent years in Philippine agriculture. The increases in the total area under cultivation, in the total value of our staple crops, in the average value of crop production per capita and per hectare, and in the number of our domestic animals, have been such as to indicate a relatively healthful condition of this important industry.

The backbone of Philippine agriculture is the small farmer, and slowly changing conditions on the small farms are likely to remain unnoticed. The planting of 50,000 coconut trees on one plantation is a development that attracts general attention, but during the relatively short period of 15 years our Philippine farmers have planted more than 50,000,000 coconut trees.

Statistics submitted by the secretary of this department on the acreage devoted to various crops are of interest. His report estimates a total area under cultivation of 3,756,504 hectares. Almost half of this is under cultivation for rice, with coconuts, corn, and abaca next in the order named, ranging from about 14 to 13 per cent each of the total area. Something less than 7 per cent of the cultivated area is devoted to sugar, with various other crops taking up the balance. The total area under cultivation for all crops is less than one-fourth of the area considered to be suitable for agricultural purposes. The total area under cultivation now is 65 per cent greater than that which was under cultivation 20 years ago. The greatest increase in acreage has been that devoted to the cultivation of rice, which in 20 years has shown an increase of over 600,000 hectares. The areas devoted to the other principal crops have increased in about the same proportion.

The consistently steady increase in the area devoted to rice is a matter of considerable satisfaction, as the islands in the past have not been able to produce enough of this commodity for home consumption and necessary importations to supply the local market constituted a serious economic drain. The 1930 crop was practically sufficient for home consumption, and, while it resulted in lower prices, was an economic blessing to the great mass of consumers, particularly in view of the general trade situation. The production of copra, due in part to the leaf-miner infestation, was somewhat less than the previous year and prices were exceptionally low. The total area planted to sugarcane was slightly over that of the previous year and the value of this crop, due to reduced prices, was considerably less. Abaca, the production of which in some sections of the islands, notably Davao, is rapidly increasing, has decreased in certain other Provinces which formerly were the center of the abaca industry. The prices of this product over a long period of years have gradually decreased, and the price for the 1930 crop was the lowest during the last nine years, with a resulting drop in the value of the crop of over 30 per cent. The chief factor in the decline of this industry has been the increasing competition of Sumatra abaca, where, due to more systematic cultivation and more efficient machinery, the crop is produced at a much lower cost. Cacao and coffee are two crops which, while still produced in comparatively small quantities, have gradually increased in the past few years. They can be grown profitably in the islands, yet are not produced in sufficient amounts to meet the local demand. The importance of increasing these two crops, which are purely tropical in nature and do not enter into competition with American agricultural products, is fully realized, and the matter is being given careful study.

A similar situation to that mentioned above exists with regard to the fruit industry in the islands. Practically every variety of tropi-

cal and semitropical fruits may be grown in the Philippines, yet the importations of fresh and canned fruits are heavy. Until recent times virtually no attempt has been made to produce any fruits on a large scale or other than a mere incidental side crop for the home consumption of the owner. The California Packing Corporation, however, after demonstrating that pineapples could be successfully grown in Bukidnon, has established a large packing plant in that Province, and in cooperation with the neighboring land owners has large areas under the cultivation of this fruit.

The secretary's report on the possibilities for the production of purely tropical products which might be sold in the United States without entering into competition with American grown products is of exceptional interest. He points out the fact that the United States imports enormous quantities of products such as bananas, cacao, coffee, spices, gums, castor beans, vegetable oils, jute, etc., all of which could be produced in the islands. In view of the depressed prices of the present major crops, now would appear to be an opportune time to encourage further diversification of this nature. The successful carrying out of such a program will necessitate the spending of large sums of money for experimental purposes and assistance to farmers who wish to diversify their crops, for they are not in general familiar with the production of any crops other than the five or six basic ones which have for years been the mainstay of Philippine agriculture.

Along similar lines is the campaign being carried on by the department of agriculture to increase the local production of poultry and eggs. Although chickens given ordinary care thrive in the islands, it is necessary to import large quantities of eggs from China. As in the case of fruits and other new crops, it will be necessary to do a great deal of pioneer and demonstration work to show the people the proper methods of the industry. A large part of the present production is from small flocks of inferior birds.

CATTLE IMPORTATION

For a number of years the importation of cattle for slaughter has been prohibited by law, with the proviso, however, that the Governor General could authorize importation if in his opinion conditions made such importation advisable. Under this proviso permission has been granted for a number of years for the importation of a limited amount of live cattle for slaughter. Local cattlemen have for years opposed these importations, and on July 11, 1930, further importations were prohibited. The most gloomy predictions were made that there would be a shortage of fresh beef, that shipping facilities were not adequate to furnish the market with cattle, and that there were not enough needed cattle to supply the market. None of these fears, however, were realized. There has been an adequate supply of fresh meat in the Manila markets, and there is nothing to indicate that the market can not be supplied indefinitely with locally raised cattle. An important factor in this matter is the fact that there is no limitation on the importation of frozen beef, which acts as a check on the price of fresh beef.

PUBLIC LAND TITLES

The public land title situation, which is probably the most serious problem which confronts the government, showed encouraging improvement during the year. The number of applications for public lands which were pending at the close of the year was reduced by more than 25 per cent and the number of applications which were acted upon during the year increased by 60 per cent. The number of cases pending at the close of the year amounted to 64,693. This is the lowest figure reached in the last six years. With the exception of a slight reduction during 1929, the situation from 1926 on had gradually become worse, at one time as high as 91,000 applications having been pending. Particularly encouraging was the fact that for the first time in a number of years the number of homestead entries allowed exceeded the number of applications. The total number of homestead cases pending was reduced by more than 15,000 and the number of free patents pending was reduced by more than 8,000. While the number of applications not acted upon is still high, the trend is much more encouraging, and it is hoped to bring the work of the bureau of lands approximately up to date within the next year or two.

Similarly encouraging results were attained in the matter of cadastral survey, the number of such cases pending being reduced from 115,000 to 95,000.

RURAL CREDITS

During the second session of the eighth legislature a joint resolution was adopted providing for the appointment by the governor general of a commission to study the problem of rural credits in the islands with a view to recommending a practicable system of granting loans to small farmers. Those farmers are now quite generally being financed by local money lenders, who charge excessive rates of interest.

For more than a year the commission has been investigating the economic position of the small farmer in the Philippines. The members of the commission have traveled through many of the Provinces of the islands, holding conferences with the farmers themselves. Public hearings have been held and are being held in Manila for the purpose of gathering pertinent information. Questionnaires and letters have been sent out by the commission to many people in the islands in a position to give worth-while advice in the consideration of the important questions before the commission. It is expected that the commission will complete its investigation in time to submit its report and recommendations to the forthcoming session of the legislature.

DEPARTMENT OF JUSTICE

Two measures were enacted by the legislature of considerable importance to this department. The first, Act No. 3736, empowers the courts of first instance to make declaratory judgments, which it is believed will forestall considerable litigation. Act No. 3764 authorizes judges of first instance to assign justices of the peace of

provincial capitals to hear and determine noncontested cadastral cases. The courts of first instance improved to some extent the situation with regard to congestion of the courts. The number of cases filed during the year was larger than during the previous year, but the number of cases pending at the end of the year was slightly less than those pending in 1929. The disposition of cadastral lots showed encouraging improvement. The courts of first instance disposed of more than twice as many cadastral lots during 1930 as during the previous year. This was due to the assignment of a large number of judges to hear and decide this type of case. At the end of the year, however, there was a total of 203,852 lots pending in the courts of first instance. A large number of these are uncontested and the provision of the law recently passed, that justices of the peace of provincial capitals can hear such cases, should result in a considerable reduction of this number during the present year.

During 1929 a committee was appointed to make a study and submit recommendations for the improvement of the land-title situation. This committee made a careful study of the entire situation and submitted valuable suggestions for improvement. A large part of the recommendations of the committee could be and were carried out administratively.

BUREAU OF PRISONS

Following rumors of serious irregularities in the bureau of prisons, the secretary of justice appointed a committee early in the year to make a survey of the prison system. Following the report of the committee, the director of the bureau submitted his resignation on December 18, 1930, and administrative action against a number of other employees was pending at the close of the year.

The passage of act No. 3579, authorizing the construction of a new prison for female prisoners, constitutes a much-needed improvement. Act No. 3732 authorizes the sale or lease under the provisions of the land law of the penal farms at Iwahig and San Ramon and made an appropriation of ₱500,000 for the construction of new prisons and penal farms. A preliminary study of this matter is now under way.

CIVIL SERVICE

The campaign to rid the government of dishonest and corrupt employees was continued. A total of 150 employees were dismissed or required to resign during the year and disciplinary action, such as fines, demotions, etc., was taken against 1,173 others. The widespread publicity which has been given to several investigations conducted in various bureaus has had a wholesome effect in arousing in the public mind a more critical attitude with regard to government employees. The fact that two provincial governors and three bureau directors have been forced out of office in the past two years has served to impress upon the people that disciplinary action is not to be confined alone to the inconspicuous and uninfluential employees.

AVIATION

During the year there was a marked interest in the development of commercial aviation throughout the islands. One commercial company has purchased airplanes, and the question of establishment

of landing fields and control of air traffic has been the subject of preliminary study. The United States Army authorities have shown a most gratifying spirit of cooperation and interest in encouraging commercial aviation. At the end of the year preliminary steps had been taken toward working out a program of airway development for the islands. It is anticipated that definite progress in the development of commercial aviation will be made during the coming year.

GOOD-WILL TRIP

Early in the year I was convinced of the advisability of having a mission composed of members of the Philippine Government make a visit to the neighboring countries for the purpose of fostering our relations with these countries and observing the governmental activities therein. On receipt of the authorization for this trip, steps were taken to work out the details involved. The United States naval authorities assisted in the preparation of the itinerary and made the necessary arrangements for the accommodation of the party on the U. S. S. *Pittsburgh*, which ship was offered by the Navy Department for the transportation of the party during the tour.

Letters were sent to representatives of the State Department in all countries to be visited, outlining the purpose of the trip, the desired local activities, and requesting that arrangements be made for the desired conferences with government officials in whose activities we were especially interested. At the close of the year plans for the trip were practically completed except for the detailed programs at the various stops on our itinerary.

GOVERNOR GENERAL'S STAFF

The employment of specially trained men as technical assistants to the Governor General was continued. Without some such assistance it would be exceedingly difficult for a Governor General properly to conduct the office under the complex modern conditions as he would be swamped with detail. An interesting development this year has been the temporary detail of certain technical assistants to advise with department secretaries at their request on certain matters in which they are especially qualified by their training and experience. These technical assistants have rendered invaluable service both to me and to the Philippine government.

CONCLUSION

In conclusion I wish to acknowledge the loyal cooperation and assistance of the department secretaries and other officials of the government and the people as a whole. One can not meet the Filipino people officially and socially over so long a period without becoming deeply impressed with their sincere desire to maintain the utmost harmony in their relations with the United States and with their zeal for the welfare of their country.

Very respectfully,

DWIGHT F. DAVIS,
Governor General.

The honorable the SECRETARY OF WAR,
Washington, D. C.

APPENDIXES

APPENDIX A

MESSAGE OF THE GOVERNOR GENERAL TO THE EIGHTH PHILIPPINE LEGISLATURE

[Delivered by his excellency in the hall of the house of representatives, at the opening of the third session, on July 16, 1930]

GENTLEMEN OF THE LEGISLATURE: It is my pleasant privilege to welcome you to the last session of the Eighth Philippine Legislature. At the first two sessions this legislature passed many constructive laws, but much remains to be done. I hope that this last session may be even more fruitful in beneficial legislation.

COOPERATION

Last year I stressed to you my desire for a close, cordial, constructive cooperation between the executive and the legislature. Cooperation means progress; the lack of it would bring retrogression. I am happy to say that this cooperation has existed during the past year. My relations with the members of the legislature have been most friendly, both officially and personally. Your leaders have been of great assistance by their sincere, helpful, and loyal support. I wish again to assure you of my desire for a continuance of this close, cordial, constructive cooperation.

Cooperation by its very nature must be mutual. The executive must not attempt to usurp the powers given by law to the legislature. The legislature must not attempt to usurp the powers given by law to the executive. I shall do my part. I am sure that you will do yours. I extend to every member of the legislature a sincere invitation to come to me at any time with suggestions, advice, or requests for assistance in solving your problems. The department secretaries, whose loyal, able, efficient services I am glad to acknowledge, are always ready to furnish this legislature with any facts and figures desired.

PUBLIC ORDER

During the past year public order has been unusually good throughout the islands, except for the recent unfortunate incident in Mindanao, due to the necessity of punishing a group of outlaws who were defying the lawful authorities. Except for this small band of lawbreakers, however, the Moro people as a whole were thoroughly law-abiding and did not approve of the actions of the outlaws. I am happy to state that this situation is growing steadily better, and normal conditions promise to obtain in the near future.

PUBLIC HEALTH

The protection of the public health is steadily improving. There has been but one minor outbreak of smallpox during the past year, which was suppressed easily. The disease was introduced from near-by alien islands. Plague is non-existent. Cholera has not appeared in any alarming, widespread epidemic, although in certain sections it has been necessary to adopt strenuous preventive methods. The history of this disease shows that it may in the coming year assume such proportions as to tax the resources of this government in combating it. At Cullion, at San Lazaro, and at the other leprosy-treatment stations throughout the islands splendid work is being accomplished by high-minded, brave, and efficient personnel. The new leprosarium at Cebu, built through the great generosity of Mr. Eversly Childs, of New York, is the finest institution of its kind in existence. When the finances of the government permit, similar stations in strategic points should be established.

We can proudly boast that the Philippine Islands is one of the most healthful places in the Tropics. However, our goal has not yet been reached. The wonderful improvement made in the past 30 years must go on. There is still too

much typhoid, dysentery, and malaria in certain districts. Skin diseases seriously affect too large a percentage of the people. Hookworm and beri-beri are too prevalent. We can not relax our efforts for a moment.

I wish to call your attention particularly to tuberculosis. The director of health reports a high mortality from this disease amounting to about 30,000 deaths a year, or 12 per cent of our total mortality. Tuberculosis is our most dangerous enemy, the captain of the hosts of death. Unsatisfactory living conditions among the poor, such as unsanitary environments, insufficient food, poor housing conditions, ignorance of personal hygiene, and failure to isolate open cases, are the major factors in the terrible prevalence of this disease. I recommend that the legislature give careful consideration to this very serious problem of tuberculosis.

EDUCATION

The bureau of education has done the country a great service in giving the people a common language and in supplying the demand for skilled service in governmental, professional, and commercial positions.

A recent survey by Dr. C. A. Prosser, of the Dunwoodie Institute, the leading industrial school in the United States, shows a decided undermanning of the industrial field by Filipinos. In every country it is the skilled mechanic who, with the independent farmer, forms the backbone of democracy. I urge your study of a plan submitted by Doctor Prosser to establish industrial schools of the new type, giving a 2-year course of study, wholly separate from the university preparatory courses, designed to equip a man to take his place as a building constructor, automotive reconitioner, metal worker, or the rendering of other types of service now usually supplied by foreigners. We should adjust our educational program so that those educated at public expense will be economically efficient and will fill a need in our economic life.

JUSTICE

The proper administration of justice is essential to permanent progress. At the last session of the legislature legislation was enacted which will facilitate the business of the courts. Further steps are necessary to relieve the courts of unnecessary litigation. In some jurisdictions the courts have been empowered to make declaratory judgments to forestall litigation. Again, laws have been enacted providing for judicial arbitration of small claims.

The Penal Code, which in many respects continues the same as the one in force during the Spanish régime, is archaic. Attention is invited to the advisability of providing for the revision of this code in the light of existing conditions.

It is impossible to maintain an efficient system of judicial administration without the aid of a competent bar. Hence, the proposal to insure a bar of high character and efficiency merits your serious consideration.

The act creating a court of appeals, passed by the last legislature, has not been acted upon by Congress, and there seems to be little likelihood that it will receive the necessary approval in the near future. In view of this situation, I suggest that you consider the proposal presented last year for the enlargement of the supreme court by additional justices.

FINANCES

The present financial condition of the government is sound and we have been able to maintain the budget on a strictly cash basis. The wise recognition by this legislature of the sound principles of budget making resulted in the passage last year of the budget bill in accordance with these principles. The result was that for the first time in many years the appropriation bill was approved without change. I hope that the same fortunate result may again occur this year as it is concrete evidence of the desire of this legislature to adopt modern progressive methods of budget legislation.

The cash surplus at the end of 1929 was approximately ₱10,000,000, although with the payment of a million and a half pesos into the Arranz fund in accordance with Act No. 3500 the net balance will be approximately eight and one-half million pesos. However, we face this year possibilities of unusual disasters which might easily involve tremendous, unforeseen expenditures, as well as a serious loss of revenue. The leaf miner and cholera are two examples. The experience of 1921 should also be a warning to us. In that year of business depression, the estimates of the government revenues were ₱84,000,000, but the actual collections amounted to but ₱67,000,000. The emergency

board was forced to suspend appropriations to the amount of over ₱13,000,000. Even then it was only the accumulated surplus of previous years which saved the situation. A government must necessarily depend on its surplus to provide for serious emergencies, whether they are due to business depression, to insect pests, or to epidemics of disease. Faced by the possibility this year of all three disasters, we must be particularly careful. Sound governmental financing demands that a reasonable surplus should always be maintained to meet emergencies.

The financial outlook for the coming year is not bright. The general economic depression now prevailing all over the world, together with the effect of the leaf-miner plague and the typhoons which last year and this year devastated our coconut, hemp, and other plantations, will necessarily affect unfavorably the governmental revenues. Up to and including May 31, 1930, the collections of the Bureau of Internal Revenue had fallen off over 11 per cent as compared with those of the same period in 1929. In May the decrease was over 24.4 per cent. Although for the first three months of the year the collections of the bureau of customs were in excess of the total for the same period of last year, they are now going steadily downward. According to past experience, which is being borne out at present, the effect of business depression on governmental revenues is felt first in the internal-revenue collections and later on in the customs receipts. The outlook is, therefore, depressing. The actual figures show that the estimate of revenues for the 1930 budget, considered by some as ultraconservative, had been well made.

Facing this situation squarely we must be exceedingly careful in making appropriations. In order to assure a well-balanced budget for 1931, every possible economy must be made in the appropriations and any new activity which is not absolutely indispensable must be delayed. Our duty to the taxpayers and to the people of the Philippine Islands demands unusual caution in appropriations this year.

EXAMPLES OF SAVINGS

Every possible saving in current expenditures must also be made. Let me give you briefly three examples showing how savings can frequently be brought about without affecting the general welfare.

In the sale of the Cebu and Iloilo port-works bonds, a fortunate arrangement was made with the Philippine National Bank. At the time the money was needed, the American bond market was very depressed. It was evident that the bonds would have to be sold at several points below par. The bank agreed to buy the bonds at 97, giving the government the option to repurchase at the same price at any time. When the market improved, the government exercised its option and then sold the bonds in the American market at a price of 103.779. This meant a direct saving of approximately ₱95,000, or if figured over the 30-year period, the saving would have amounted to at least ₱224,000. Even though it was a good business deal for the bank, also, the cooperation of the bank authorities was greatly appreciated.

Another saving was made by abandoning the purchase of a park opposite Malacanán. Many of the benefits which would have accrued were obtained by agreement with the owners, whose public spirit was very commendable. The initial saving was ₱269,000, but the ultimate cost to the government would have been some ₱450,000. The amount initially saved is much more than the amount spent to date on the badly needed reconstruction of both Malacanán and Mansion House, and, of course, the later expenditures will not now be required.

The legislature at its last session upon my recommendation authorized the redemption in 1930 of the Manila port works 5½ per cent bonds. This will mean a saving of ₱660,000 annually for interest, or a total of ₱13,200,000 in the 20 years the bonds otherwise would have run.

Every effort will be exerted to make similar savings whenever the opportunity arises.

PUBLIC WORKS

The revenues available for public works will be limited in amount, due to decreased collections. Appropriations for public works must be scrutinized carefully. The benefit to the country as a whole and not the interest of a particular locality must govern the allotment.

I favor the largest possible appropriations for public improvements consistent with the available revenues. I do not favor the allotment of these limited revenues on any other basis than the general public welfare.

The secretary of finance, who has made a careful, thorough, and sympathetic study of the whole financial situation, upon the completion of the budget bill will inform you of the maximum amount available for public works. It is only fair to the legislature to state definitely that until conditions change I can not approve a public works bill totaling more than the maximum amount available for this purpose in accordance with the estimates of the secretary of finance.

SPECIAL PROVINCES

The special Provinces have been making steady progress. Cut off from the stream of western culture largely by differences of religion, it was not until the beginning of the present century that the world current of ideas was open to them. I believe that they are on the threshold of marked advancement. Their problems must be met with sympathy, consideration, and understanding.

The first step is to interest the people of the special Provinces in their local affairs and the next is to have them do their own policing by recruiting locally the local, provincial, and insular police. This is being done successfully in Mountain Province, with the result that there are no clashes between police and people. Training in self-government must be given by appointing local people as government employees. The greatest need in tranquilizing the special Provinces, however, is road construction. Peace, order, and material prosperity follow the highways. It is also vitally important to expedite the granting of land titles to the people. If their problems are handled fairly, intelligently, and sympathetically, they will respond by friendship and trust. If treated unjustly, they may become unforgiving enemies.

MINDANAO

Mindanao, so-called land of promise; rather, land of promises—unfulfilled; a treasure house of national wealth—with the door kept carefully locked; for years a subject for great talk but little action. If a liberal policy of development were adopted toward Mindanao, the future would return the liberality a hundredfold. But it must be a real liberality, a liberality of purpose, a liberality of policy, a liberality of appropriations. Petty parsimony will not accomplish the prime purpose. Road projects liberally provided, land projects liberally encouraged, homesteaders liberally treated, these things are not liberality. They are only economic common sense. The national wealth must be increased. No section of the islands would bring greater returns more quickly and more cheaply. I recommend a liberal investment in public works in Mindanao, particularly in road building.

LABOR

Philippine labor should build up the Philippines rather than other countries. Opportunities must be afforded here so attractive that our labor will stay in the islands where it is badly needed. Here again the lack of economic development is a great handicap. The building of roads into the great agricultural districts of Mindanao, together with the prompt granting of land titles, should attract some of this labor there, as the reward would be greater to the pioneer who is willing to work than is received by the laborer in other lands. Similar opportunities should be opened up in the Cagayan Valley and in other places. New industries should be encouraged. Every effort should be made to retain Philippine labor in the Philippine Islands. It would benefit our labor and would immeasurably promote the prosperity of the islands.

The suggestion has been made that a commission be appointed to investigate the condition of our laborers in the United States. This suggestion is worthy of serious consideration.

GOVERNMENT EMPLOYEES

The number of civil service employees has increased from 17,334 in 1925 to 21,361 in 1929, while in the same period the number of classified temporary employees in the insular service and judiciary has increased from 170 to 235 and the unclassified and nonclerical from 4,093 to 4,736. While a certain normal increase is natural, the total number should be kept to the absolute minimum. The department heads are trying to bring about the greatest efficiency in the various departments without doing injustice to individuals now in the service.

The cooperation of the legislature is strongly urged. Efficiency occasionally demands the creation of new positions and increased personnel, but each case should be closely scrutinized. The total number of employees should be decreased rather than increased. My feeling is that in general the government is overmanned by employees who are underpaid. When the governmental finances permit, I should favor a thorough study of the whole question of salaries with the purpose of revising upward those which are too low. With the present decrease in revenues, however, the emphasis must be laid on keeping the total number to the minimum consistent with efficiency. Every peso saved in unnecessary salaries is a peso available for public works, health, or other necessary activities.

TRANSPORTATION

An adequate system of transportation by land, sea, and air is of the utmost importance. Much progress has been made in the development of our roads, but much more remains to be done, particularly in the islands of Mindanao, Samar, Leyte, and other parts of the Archipelago. The question of interisland shipping has been frequently brought to your attention. Inadequate interisland transportation has been and continues to be one of the greatest drawbacks to the economic development of this Archipelago.

In these islands the best means of passenger and mail transportation will soon be by air. I recommend that steps be taken to procure adequate landing fields in the principal centers of population and to encourage in every sound way those considering the investment of capital in this new form of transportation which has revolutionized communications in many parts of the world within the last decade. The representatives of the Army and Navy of the United States undoubtedly would cooperate gladly in the establishment of such transportation facilities as they have done in the United States.

LAND TITLES

The expeditious granting of titles to public lands is of vital importance to the development of the islands. The delays which have existed ever since the present system was established seriously prejudice the public welfare. Public order is frequently disturbed by disputes regarding titles to land. Business is hampered. The procuring of necessary credit is made difficult, sometimes impossible, by lack of clear title. The poor man is affected particularly.

This situation has existed for many years. It has been condemned by everyone, defended by none, but little has been done to correct the conditions. Last year I appointed a committee to study the system and recommend desirable changes. After a thorough, painstaking, careful study, for which the committee deserves the highest praise, it submitted a report containing 22 recommendations. A copy of this report has been furnished to the legislature. The approved changes which can be carried out by administrative action already have been put into effect. Those requiring legislative action will be submitted as administrative measures. I strongly recommend the early approval of these bills.

CREDIT FACILITIES

The establishment of sound and adequate credit facilities, particularly for the small farmer, is vitally necessary to an agricultural country. Credit, however, may be as harmful if improperly granted as it is helpful if soundly extended. It should be granted only for productive, never for speculative or unproductive purposes, so that the loan may be repaid out of the profits made. Repayments must be insisted upon when due. Sound business principles must be observed. The experience of other countries has shown that a successful system must be built from the bottom up rather than from the top down. It does far more harm than good for the government to extend credit directly on an unsound basis without adequate supervision or control. Local institutions, organized, financed, and managed locally, aided and supervised by central institutions, in the long run will develop a much sounder system. Credit has tremendous potentialities for good or for evil. It is essential that any system adopted should be built on sound foundations.

In accordance with joint resolution No. 4, passed at the last session of the legislature, I appointed a rural credit commission to study this whole subject of agricultural credit. Through his interest in the Philippines in the past I

was able to arrange with Doctor Kemmerer, whose knowledge and experience on this subject is world wide, to act as adviser on this all-important matter. I urged the most earnest consideration of the recommendations of your commission.

GRAFT

I have steadily urged the absolute necessity of eliminating graft from the government. Considerable progress has been made. Far more remains to be done. The fight will go on relentlessly. Those officials who have taken the lead in this battle deserve the highest praise. As the people are beginning to realize that the fight against graft is their fight, that they are the ones who suffer, an insistent public opinion will gradually be built up, which will ultimately eliminate from public life those who betray them.

My views are too well known to require elaboration here. Let me only repeat one point of interest to everyone who represents a district which desires public improvements. The grafter does not steal money from an intangible body called the government. He actually steals schools from the young children, hospitals from the helpless sick, roads from the struggling home builders. Every peso stolen directly or indirectly is a peso stolen from the public-works bill.

I know that we can count on the support of every legislator in this fight. The public official who for political reasons condones graft or seeks to protect the grafter from punishment is faithless to his trust, unworthy of the honors given him, a traitor to his people. I am sure that no member of this legislature is so recreant to his duty and his conscience that he would not cooperate wholeheartedly in destroying this disease, far more dangerous to this country than leprosy, cholera, or the plague.

TAXATION

An adequate system of taxation is essential to government and business alike. In the long run the interests of both, while seemingly antagonistic on details, are mutual in the establishment of sound, just, and fair methods. Too high taxes may actually reduce governmental revenues. Too low taxes may actually be harmful to business. It is of the utmost importance that a fair system, capable of uniform enforcement, generally accepted as just, be adopted. There is much complaint against our present taxation system which is in need of revision.

Taxation is an exceedingly complicated problem. It requires years of study to master, a broad variety of experience under differing considerations. I understand that your joint committee, which has been making a thorough, careful, comprehensive study of this subject, is considering the advisability of employing experts, familiar with the experience of other countries and uninfluenced by local considerations, to advise with them in drawing up their recommendations. If the legislature so desires, I will gladly approve an appropriation for this purpose.

SUPPLIES

Provincial and municipal governments complain that they suffer delay and loss under our present procedure of making all purchases through the bureau of supply. Last year I vetoed a bill providing for larger local purchases, partly on the ground that I had appointed a committee to study this whole subject. The committee now has submitted its report and administrative reforms recommended therein will be tried out. Red tape will be greatly reduced. A standard list of supplies is in course of preparation. The prices within which the articles appearing thereon may be purchased can be fixed annually or oftener in special cases by the bureau of supply. Provincial and municipal governments within the price limits set forth will be allowed to buy locally articles on the standard list. This procedure will allow products produced locally to be purchased locally, thereby stimulating local business everywhere, expediting public works, and saving money. Until this administrative change has been tried out and the recommendations of the committee have been tested, I shall ask for no additional legislation in this matter.

PENSION LAW

A general pension law was proposed at the last session of the legislature. While in principle I favor a proper pension law when the revenues of the government are sufficient to support it, such a law must be carefully drawn and the conditions must be thoroughly studied. It is particularly important that the maximum probable cost be considered before the adoption of such a law. The experiences of corporations, institutions, and governments have shown that the costs are usually underestimated. Unless it appears certain that the proposed payments can be made not only now but permanently without crippling the governmental revenues, it would be unfair both to the employees and to future generations to commit them to such a policy.

DUPLICATION

In connection with the necessity for the utmost economy and efficiency in the government, it would be advisable for you to consider the elimination of duplication of effort in governmental activities. As an example, the medical activities of this government to-day fall under three different bureaus in two different departments.

I recommend the creation by the legislature of a committee to be appointed by the governor general to study the various activities of the bureaus with the purpose of eliminating duplications, suppressing unnecessary functions, and increasing the general efficiency. The function of such a committee should be limited to changes which can be brought about by action of the legislature or of the executive, as proposed changes in the organic act would result in long delay. Early action is necessary if anything is to be accomplished to help out the present situation.

RADIO

A critical situation now exists regarding the future adequacy and welfare of radio communication within the archipelago, a condition that must be met by prompt action of the legislature, if the business interests of the islands are not to suffer seriously because of interrupted communication. Briefly, the Radio Corporation of the Philippines has been furnishing radio service for over a year between Manila and eight of the more important provincial stations. The company's contract with the government expired last May. It was impracticable for the government to resume operation at those points because no funds had been made available for that purpose, and the company with commendable public spirit agreed to continue its service until September 16, 1930, the date a new contract must be entered into if we wish to continue private operation.

Upon the general principle involved, the experience of other countries has shown that means of communication can be more economically and efficiently conducted by private individuals or corporations than by the government. Especially is this so with a new, highly technical and rapidly developing means such as radio. Modern service can be had only when the furnishing agency has at its command high-priced electrical engineers and similar technicians. If, however, after investigation, we decide that it is not to the best interests of the public to continue commercially furnished service at the nine points now operating and a reversion to government operation is determined upon, it is necessary that funds be made available immediately so that the government agency charged with furnishing the service will have time to prepare and be ready to function on September 16th next, when the contract now in effect expires.

DEPRESSION

Owing partly to typhoon destruction and the devastation by insects of our basic crops in certain localities, partly to world-wide economic conditions, business affairs of the islands are somewhat depressed. In a predominantly agricultural country, and particularly where only a few products are grown to any large extent, the value of these products exercises a great influence on all business and financial conditions. This is aggravated here by the fact that these principal products are of world-wide production and the prices are therefore governed by world conditions.

The present situation again shows the soundness of a principle which I emphasized in my first message to this legislature. I refer to the importance of diversification, a principle frequently preached but little practiced. It is economically unsound to increase the production of crops of which there is already a world overproduction while neglecting other crops not now being produced here for which there is a world-wide demand. In the United States alone there is a steady market for over ₱4,000,000 of tropical products, most of which can be produced here. It is only sound economic common sense to encourage the growing of these products while discouraging any attempts to add to the overproduction of other crops. In our domestic market similar opportunities exist. For example, our importation of eggs alone amounts to over ₱2,500,000 a year. We import nearly ₱60,000,000 of food products annually, most of which could be raised here.

Fortunately, due almost entirely to our favored position with a protected market, the world-wide depression in agriculture is not as serious here as in many other countries. With the restoration of confidence, I hope that the present depression will be only of short duration and that business and financial conditions will improve greatly in the near future.

PROPOSED MEASURES

Among the important matters that will demand the attention of the legislature at this session should be mentioned the following:

To exempt iron and other refractory ores from export duties.

To authorize the merger or consolidation of corporations.

To provide for the disposition of reclaimed lands.

To amend the insurance law.

To exempt from the sales tax merchandise imported with the view to reshipment.

To protect laborers and material men engaged in public works.

To exempt from the normal income tax corporate dividends received by corporations.

To standardize weights and measures used in the domestic trade.

To permit foreign vessels to carry gasoline under certain restrictions.

To amend the election law by providing that in case of election contests the losing litigant pay his costs.

To prohibit billboard posting in certain places.

To preserve insectivorous birds.

To sell the San Ramon Penal Colony after a new colony has been established elsewhere to care for the inmates.

To permit investment in more than one mining or agricultural corporation.

To aid the local cattle industry by permitting cattle breeders to own or lease larger areas for cattle-raising purposes, as recommended by the secretary of agriculture and natural resources.

To grant special charters only to those cities which are capable of conducting a local government to the advantage not only of their own residents but of the islands in general and without impairment to the well-being of the Provinces in which they are.

A mere recital of the foregoing means that this legislature, if it is to achieve results, must start its deliberations at once and establish a record of consistent endeavor.

ECONOMIC DEVELOPMENT

During the past year I have visited nearly 40 out of 49 Provinces, several more than once. When asked regarding their needs, everywhere the municipal and provincial authorities made the same answer—more money. More money for roads and bridges, more money for schools, more money for hospitals, more money for medicines, more money for all sorts of public improvements. The cry was always the same, and it was always justified. The same thing is true with insular needs.

We can not progress, indeed we will go backward, unless we have more revenues. We must meet a practical situation practically. We need more economics in our politics, less politics in our economics. Government is essentially a practical business. Words, no matter how eloquent, will not solve our problems. Sound common sense, not high-sounding phrases, are needed. True progress in government is measured not by abstract theories, eloquent verbiage,

abstruse doctrines, but by high standards of living for all the people, by advancement in culture, by the physical, mental, and moral well-being of its citizens. The condition of the average man, not of the powerful, is the standard by which we will be judged.

Let us face the situation. It is estimated that at the rate we are going it would take about 30 years to carry out even the most pressing needs of to-day, not to mention other less pressing but highly desirable matters and the new needs that will arise in the future. The prospect is depressing unless governmental revenues—municipal, provincial, and insular—be increased.

How can these revenues be increased? Except perhaps to a minor degree, it can not be done by increasing taxation. The only way is to increase the taxable wealth of the islands through economic development. I have no hesitation in stating my firm conviction that economic development is the most important problem of the Philippines, that it underlies all other problems, and that until it is solved our other problems are largely insolvable.

One sad feature of our present situation is that it is the long-suffering, the uninfluential, the uncomplaining *tao* who suffers, not the rich man, the leader, the influential. The rich man can look out for himself and his family; the poor man can not. It is our duty to help the poor man help himself. If we are to do this, we must develop the taxable wealth of the country in order that he may have schools, roads, hospitals, and many other needed things. That a country so rich in natural resources should remain so undeveloped economically is a challenge to your statesmanship.

The secretary of agriculture and natural resources estimates that at the present rate of cultivation of our available public lands it will require at least 350 years before the public domain can be fully developed and registered. This land is a potential source of tremendously increased national wealth, of urgently needed revenues to municipalities, Provinces, and insular government alike. If developed, the taxable resources, the opportunities for labor, the settlement of unoccupied lands, would solve our pressing problems. Conservation does not mean keeping this land idle; it means that it should be put to productive uses.

It is true that legislation can not of itself develop land. It can, however, immensely promote or hinder its development. When we consider the immeasurable effects of this development upon the welfare of the present and of future generations yet unborn, when we consider what tremendous benefits would accrue to the poor, the sick, the oppressed, when we consider the rights of our labor to the opportunity here offered for gainful employment, the responsibility of the legislature to present and future generations of Filipinos is plain. That responsibility can not be evaded, altered, shifted. It rests on your shoulders and on yours alone.

There are faint-hearted ones who seek to evade this responsibility by raising the bogey of "exploitation." In this day and age there is slight danger of exploitation by large units of capital. It would be universally condemned and proscribed. There is far more danger in a country like the Philippines of exploitation by a large number of small units controlling unnoticed the economic life of the country than by large units which must necessarily work in the open, always subject to drastic regulation and control. Unlike the faint-hearted, I have the utmost confidence in the wisdom, courage, and ability of the Filipino people to control any attempted exploitation of their natural resources by large aggregations of capital. If, with the cordial, strong, sympathetic backing of the United States Government, they can not so control their economic development, they have little hope of successfully developing the future progress and prosperity of their country.

I have laid such stress upon the importance of economic development because of my firm conviction, based upon study, visits to all parts of the islands, discussions with local authorities, that this problem is the foundation of all our other problems. Every problem I have mentioned to-day, practically every other important problem, whether social, cultural, or political, goes back to the fundamental issue. Until it is solved, I do not see how the others can be solved. We can drift along, making perhaps a little progress now and then, but actually going backwards by comparison with other countries, or we can boldly and courageously grapple with the problem to the untold benefit of not only the present but of future generations.

By adapting the best of both eastern and western civilizations to our own needs, we can face the future with serene confidence. Proud of our inheritance from the east, proud of our partnership with a great nation of the west, we are determined to march ever onward and upward.

As your friend, with no selfish interest to serve, desirous only of the welfare of the Filipino people, and especially the poor, the sick, the helpless, and, above all, the children, I most earnestly urge that you give your best thought to this all-important subject.

CONCLUSION

In a document as yet unpublished, only recently discovered and brought back to this country, the man whom you venerate as your greatest patriot expressed the same thought most forcibly. Written just before his death and in expectation of his untimely end, his words come to you as a message from the grave. Listen to this message: "A people can not be free without first having material prosperity; to have freedom without having food to eat is like listening to speeches and fasting." I commend to the thoughtful consideration of every Filipino these words of your own leader, statesman and patriot—Rizal.

DWIGHT F. DAVIS,
Governor General.

The PHILIPPINE LEGISLATURE, *Manila, P. I.*

APPENDIX B

SEPTEMBER 24, 1930.

DEAR MR. CORPUS: I have received your letter of September 4, 1930, and also a copy of the letter which you wrote to me under date of November 25, 1929. Both letters deal with the question of the opening of additional branches by the Philippine National Bank, and the latter also outlines certain policies regarding the operations of the bank which the then existing board drew up for my consideration. Up to this time I have refrained from any very full expression of opinion in connection with the policies of the bank, because it has required some time for me to become reasonably familiar with the condition of the bank and with its position in the community. Moreover, I desired before writing on such an important subject to understand conditions in these islands fairly well from an economic point of view and otherwise. I now feel, however, that it is advisable to make some definition of the bank's policies in reply to your letters.

Owing to the importance of the matter and the deep interest in the bank which the public has always shown, I propose to deal at length and publicly with the question. A number of fundamental principles are involved which are not clearly understood by all of the people who are interested in the Philippine National Bank. A more comprehensive understanding of those principles is necessary if the good work thus far done is to be fully appreciated and if the bank is going to attain a position under government control which will make it of real benefit to the people of these islands.

I am afraid that the public is not fully aware of the great problem with which you and your associates are confronted in your attempt to rehabilitate the bank and make it a factor of constructive service in the community. I wish, therefore, in this letter to review briefly the history of the bank which has given rise to the problems that still remain unsolved as well as to give some account of the problems themselves. With this as a background I can more intelligently deal in subsequent letters with the question of what the future policies of the National Bank should be, not only with reference to the establishment of branches but also with reference to the general scope and nature of its operations. Moreover, the responsibility resting upon the Governor General in connection with the Philippine National Bank is a heavy one, because the bank, if unsoundly operated, can adversely affect the economic welfare of the Filipino people, and this danger should always be a matter of supreme concern to the Governor General. Therefore, it is advisable that this important question be most carefully considered both in the light of its own history and in the light of present conditions.

The disastrous consequences suffered by the Philippine National Bank during the period of 1917 to 1922, as a result of the combination of an incompetent management, a disregard of sound banking principles, and an unhealthy economic situation are too well known to require much elaboration. During the period in question the bank incurred losses amounting to ₱61,952,000, an amount nearly twice its capital. These losses were met by reducing the bank's capital from ₱35,300,000 to ₱10,000,000 and by the government's condoning

₱36,652,000 of deposits due to it by the bank. Those unhappy days saw the bank recklessly diverting government deposits from their true purpose and function by using them for the purpose of capitalizing industrial, commercial, and agricultural ventures in complete disregard of the objects for which the government had set aside the money and of the dangers inherent in lending out government funds for the purpose of making speculative or long-term investments. It is well known that the government's credit was severely strained and that it was compelled to borrow many millions of dollars in the American market for the purpose of replacing its funds which the National Bank had lost. Though the financial loss was very great and imposes to this day a heavy burden of taxation upon the people of these islands, yet the loss of prestige by the bank and by the government was even more serious—so much so that in the case of the bank it is only now slowly beginning to achieve a position of dignity and responsibility independent of government support in the eyes of the banking world.

I have just received a copy of the report of the auditor of the Philippine National Bank showing its condition as of June 30, 1930. The auditor points out that four or five loans are still in excess of the legal limit and that the total loans considered slow and unliquid aggregate nearly 60 per cent of the total loans not including overdrafts, a large part of which from experience are known also to be of an unliquid character. Out of the total assets amounting to approximately ₱102,000,000, the auditor classifies an amount of nearly ₱49,000,000 as slow and unliquid, or approximately one-half, not including over ₱4,000,000 of overdrafts. I am also impressed by the fact that the bank still has nearly ₱4,000,000 of loans in items in litigation in addition to nearly ₱1,600,000 of assets acquired in settlement of loans. Both of these items are by nature highly undesirable and the bank will be fortunate if it escapes heavy losses in its attempt to liquidate them.

I have also just received a copy of the report of examination of the head office of the Philippine National Bank made by the bank commissioner as of June 30, 1930. In commenting on his findings the bank commissioner says:

"As an indication of the narrow distribution of loans by the bank, this list discloses that 33 persons or interests have been advanced the sum of ₱25,221,173, or 83 per cent of the total loans or advances, exclusive of commercial bills discounted."

The examiner considers two-thirds of the loans in the head office to be slow and unliquid and he classifies nearly ₱1,220,000 to be either outright losses or doubtful of collection.

We must also not forget the fact that the bank has many millions of charged-off assets to the collection of which its constant attention should be directed in order to reduce as much as possible the enormous losses suffered by the government of these islands as a result of the unfortunate operations in the past. And finally we must not forget that, excluding investments abroad, from one-half to two-thirds of the total loans granted by the bank are dependent upon the prosperity of the sugar industry for liquidation. The grave danger in this heavy concentration should be obvious to everyone, particularly in view of the uncertainties surrounding the future political status of these islands.

When it is considered that more than 60 per cent of the total deposits in the bank are made up of government funds of one class or another, it is clear that every taxpayer in these islands should be deeply interested in seeing to it that the Philippine National Bank is not permitted to engage in operations with those funds which might subject them to the risk of loss. It is to be feared, however, that some of those who in the past were responsible for the operations of the bank were laboring under the impression that the bank was primarily created for the purpose of making public funds available for the promotion and capitalization of industrial, commercial, and agricultural ventures. In the past disaster followed as the result of adhering to that principle; in the future disaster will also follow if that principle is adhered to. As long as I am responsible for the direction of the bank, that principle will be definitely discarded and the bank will not be permitted to employ the funds of the taxpayers of these islands in making unliquid or long-term loans, or in any other manner likely to expose them to the hazard of being lost. On the contrary, the bank will accumulate a large secondary reserve composed of liquid assets as required by the resolution of its board passed on February 28, 1930, in order that it may be in a position to meet any emergencies which the uncertainties of the future may bring forth. I do not see how we can be faithful to the trust reposed in us by the people of these islands and take any other attitude in this highly

important matter. Only such public funds as may be truly available and specifically appropriated for capitalizing industry or for investment in long-term loans should be used for that purpose. The working funds of the government should never be used for that purpose unless the bank so employing them has given to the government immediately realizable securities to insure its ability to meet any demand which the government may make upon it for those funds. The management and directors of the bank have recognized the facts brought out herein and have adopted with my approval a resolution which will in time minimize greatly, if not entirely eliminate, the possibility of misusing the funds of the government as they were misused in the past.

It is clear from the above data that, notwithstanding the substantial progress which has been made in improving the condition of the bank, you still have before you a most serious and most difficult task in restoring the Philippine National Bank to a position where it will be a source of legitimate pride to the people of these islands. The present directors and their predecessors deserve commendation for the progress thus far made, and I desire to encourage you to continue in the onerous labor of restoring the bank to that condition of liquidity and diversification of assets, in the absence of which it can not expect to be of constructive and permanent service to this country. I have discussed so fully the condition of the bank because I feel it to be our joint responsibility to apply ourselves unremittingly to the correction of the weaknesses disclosed. Clearly our first duty is to complete as rapidly as possible the work of rehabilitation.

The purpose of this letter has been to discuss certain aspects of the history and present condition of the bank which should be clearly understood and carefully borne in mind in connection with any definition of the bank's policy. I shall endeavor to write you again as soon as possible with respect to the suggestions which you have so kindly requested me to offer concerning the future policies of the bank.

Yours very truly,

DWIGHT F. DAVIS,
Governor General.

HON. RAFAEL CORPUS,
President Philippine National Bank, Manila, P. I.

APPENDIX C

MANILA, October 2, 1930.

MR. RAFAEL CORPUS,
President Philippine National Bank, Manila.

DEAR MR. CORPUS: I received your letter of September 4, 1930, inclosing copy of your previous letter, both dealing with the question of the opening of additional branches by the Philippine National Bank and with other broad and general policies of operation. I have delayed my reply because I wished to become reasonably familiar with the conditions, not only of the bank, but of the general economic situation in the islands before discussing such fundamental and far-reaching questions.

Owing to the importance of the public interest in the matter. I propose to deal at length and publicly with the question. A number of fundamental principles are involved which are not clearly understood by the public. A more comprehensive understanding of these principles is necessary if the good work thus far done is to be fully appreciated and the bank is to be of real benefit to the people. In the beginning let me state that I believe the bank is on a sounder financial basis at present than it has been since the rehabilitation period started. The officials and the board of directors deserve great credit for the sound policies which have been adopted and which are being carried out, but a careful study of the present condition shows clearly that the rehabilitation process has just started. Disastrous consequences might still follow if unsound policies are adopted. It is very important that the people should know that you are protecting their interests along sound lines and that you deserve their full support. The agitation of unsound measures or unjustified criticism will only affect the bank injuriously in the eyes of the world.

The general public is not fully aware of the great problems with which you and your associates are confronted in your attempt to rehabilitate the bank and to make it a factor of constructive service to the community. It is necessary, therefore, first to review briefly the history of the bank which has given

rise to the problems which still remain unsolved, as well as to give some account of the problems themselves. With this background I can more intelligently deal in subsequent letters with the question of what the future policies of the national bank should be. Moreover, the responsibility resting upon the Governor General in connection with the bank is a heavy one because the bank, if unsoundly operated, can adversely affect the economic welfare of the Philippine people not only at present but in the future, and this danger should always be a matter of supreme concern to the Governor General. Therefore, it is necessary that these important questions be most carefully considered both in the light of the past history and the present condition of the bank.

The disastrous consequences suffered by the Philippine National Bank during the period from 1917 to 1922, largely due to a disregard of sound banking principles, are too well known to require much elaboration. Government deposits were recklessly diverted from the true purpose by using them to capitalize industrial, commercial, and agricultural adventures, and to make speculative or long-term investments directly contrary to accustomed banking practice in other countries. During the period in question the bank incurred losses aggregating a total of ₱61,952,000, an amount nearly twice its capital. These losses were met by reducing the bank's capital from ₱35,300,000 to ₱10,000,000 and by the government condoning ₱36,652,000 of deposits due to it by the bank. The government's credit was severely strained and it was compelled to borrow many millions of dollars in the American market for the purpose of replacing its funds which the national bank had lost. Though the financial loss was very great and even to-day imposes a heavy burden of taxation on the people of the islands, yet the loss of prestige by the bank and by the government was even more serious—so much so that in the case of the bank it is only now slowly beginning to achieve a position of dignity and responsibility, independent of the government's support, in the eyes of the banking world.

As to the present condition of the bank, I have just received a copy of a report of the bank's auditor showing its condition as of June 30, 1930. Nearly 60 per cent of the total loans and approximately one-half of the total assets are considered slow and unliquid, and this does not include over ₱4,000,000 of overdrafts many of which are known to be also unliquid. The bank also has nearly ₱4,000,000 of loans in items in liquidation in addition to nearly ₱1,600,000 of assets acquired in settlement of loans, and the bank will be fortunate if it escapes further heavy losses in the liquidation of these items.

I have also just received a copy of the examination of the head office of the bank, made by the bank commissioner as of June 30, 1930. In commenting on his findings the bank commissioner says: "As an indication of the narrow distribution of loans by the bank, this list discloses that 33 persons or interests have been advanced the sum of ₱25,221,173, or 83 per cent of the total loans or advances exclusive of commercial bills discounted." The bank commissioner considers two-thirds of the loans in the head office to be slow and unliquid, and he classified nearly ₱1,225,000 either as outright losses or doubtful of collection.

We must also not forget that the bank has many millions of charged-off assets which require constant attention as the result of unfortunate operations of the past, and finally we must not forget that, excluding operations abroad, from one-half to two-thirds of the total loans are dependent upon the prosperity of the sugar industry for liquidation. The grave danger in this heavy concentration in one industry must be obvious to everyone at all familiar with financial affairs. At the present this situation is always a potential source of trouble, and in the future under different conditions it might well cause the ruin of the entire country.

When it is realized that more than 60 per cent of the total deposits of the bank are made up of government funds of one class or another, it is clear that every taxpayer in the islands is deeply interested in seeing to it that the bank progresses on sound, safe, conservative lines, at least until the rehabilitation is complete and the banking structure is securely rebuilt. Neither in money nor in prestige can the bank or the government afford to risk another financial disaster or even to adopt new plans for expansion along otherwise safe lines until the bank is able to carry them out successfully.

Although this outline of the bank's condition is a dark and gloomy one, I repeat that I believe the bank is on a sounder financial basis than it has been since the rehabilitation period started. It is clear, however, from the above data that notwithstanding the substantial progress which has been made, you still have before you a most serious and difficult task, in restoring the Phil-

ippine National Bank to a position where it will be a source of legitimate pride to the people of the islands. The present officials and directors deserve commendation for the progress thus far made, and I wish to encourage you to continue in the onerous labor of restoring the bank to that condition of liquidity and diversification of assets in the absence of which it can not be of real constructive and permanent service to this country. I have discussed so fully the condition of the bank, even at the risk of being misunderstood, because I feel it to be our joint responsibility to apply ourselves unswervingly and unremittingly to the correction of the weaknesses discussed. Regardless of the constant pressure put upon us to adopt unsound policies, clearly our first duty is to complete as rapidly as possible the work of rehabilitation.

The purpose of this letter has been to discuss certain aspects of the history and present condition of the bank which should be clearly understood and carefully borne in mind in connection with any definition of the bank's policy. I shall endeavor to write you again as soon as possible with respect to the suggestions which you have so kindly requested me to offer concerning the future policies of the bank.

Yours very respectfully,

DWIGHT F. DAVIS,
Governor General.

APPENDIX D

MANILA, December 16, 1930.

MR. RAFAEL CORPUS,
President Philippine National Bank, Manila.

DEAR MR. CORPUS: The purpose of this letter is to discuss further my views regarding the policies of the Philippine National Bank.

The essential need of these islands is a more intensive and widespread development of their agricultural resources. In this field the Philippine National Bank will find the greatest demand for its facilities. If the bank is to foster the agricultural development of the islands, a market for long-term agricultural bonds must be established. Long-term agricultural loans for development purposes obviously can not be granted on a considerable scale if a bank's only source of lendable funds is deposits payable on demand or on short notice. This is an elementary principle of banking.

In this country interest rates are higher than in the United States and other countries where capital is relatively abundant. As a consequence, there is no considerable market in these islands for the long-term bonds of the Philippine National Bank if those bonds bear a low rate of interest. This means that unless the bank is willing to raise considerably the rate of interest which it charges on agricultural loans, it must seek a market for its bonds in those places where money is cheap and interest rates correspondingly low. The policy of the bank has been, and I think quite properly, to lend money to the farmers of the islands at as low a rate of interest as possible. The bank, therefore, must seek the market in which its bonds will sell most readily and with the lowest interest cost.

The charter of the Philippine National Bank authorizes it to make long-term agricultural loans up to an amount equal to 70 per cent of its unimpaired capital and surplus. If it makes such loans beyond that amount, they must be made with the proceeds of long-term bonds which the bank is authorized by its charter to issue. I understand that the bank has now reached this limitation. It is, therefore, clear that if the bank is to be able to take care of the increasing demand for long-term agricultural loans it must find a market as soon as possible for its long-term bonds. It is important that in the flotation of these bonds the bank rely upon its own credit rather than upon the credit of the government of these islands. Reliance by the bank upon its own strength and resources will be the best assurance that it will be operated in accordance with sound principles. The easiest way to sap the strength of the Philippine National Bank and to encourage it to deviate from the paths of sound banking would be to give it an assurance that it could depend upon the government to solve all of its problems and answer for all of its difficulties. The bank will gain prestige and standing because it is a soundly and conservatively operated bank. It will not gain prestige and standing if it must be regarded as an infant whose every step must always be guided and supported by its parent, the government.

There is only one way in which the Philippine National Bank, upon its own merits, will gain the prestige and standing we desire for it. That way has already been charted by you and your board of directors, and in following it you have already placed the bank in a much sounder position than it has ever occupied before. No one now would question, in the absence of some unexpected development, the fundamental soundness of the institution but, as pointed out in my first letter, the progress already made, important as it is, falls far short of what we must attain. Your board's policy, of which I thoroughly approve, is that of liquidating as rapidly as possible the slow loans remaining from the troublous days of the past and building up with the proceeds and accumulation of assets which may be easily liquidated whenever necessary. The bulk of the slow loans is represented by the uncollected balance of the advances originally made to capitalize certain sugar centrals in Negros. As those loans are paid off, the funds should be invested in liquid assets. In this way a strong reserve for emergency use will be created without any restriction whatever upon the bank's ability to meet the legitimate demands of its customers for credit. I have observed with a great deal of satisfaction the notable increase in the liquid assets of the bank during the past year. There is no better guaranty of the future credit of the institution and of its ability to serve the country in time of need.

There is a very good precedent for the policy which your board has adopted in the case of the Commonwealth Bank of Australia, which is a government-owned institution. The balance sheet of that bank, dated June 30, 1930, shows that a little more than 80 per cent of its total deposit and circulation liabilities was represented by cash on hand, call loans, and government securities, both British and domestic. Similar assets in the case of the Philippine National Bank on August 31, 1930, amounted to about 54 per cent of the combined circulation and deposit liabilities. On December 31, 1928, the latest date for which figures appear to be available out here, the Banco de la Nacion de Argentina, another government-owned institution, had approximately 80 per cent of its total deposit liabilities represented by cash, government securities, and commercial bills discounted. From the foregoing figures it is clear that the practice of the two best known government-owned commercial banking enterprises makes mandatory the present policy of the Philippine National Bank of accumulating a substantial amount of liquid assets to fortify itself and the country against the uncertainties of the future.

It is even more important to maintain a reasonable proportion of prime liquid assets in the case of the Philippine National Bank than in the case of any other bank operating in the Philippine Islands. The Philippine National Bank is the sole depository in these islands of the funds of the insular government and its political subdivisions. Those deposits are unsecured and at times amount to more than ₱40,000,000. They represent the working funds of the government and the funds destined for the construction of public works.

In view of the large amount of those funds, their concentration in one bank, the use to which they will be put, and the absence of a rediscounting system to which the Philippine National Bank might have recourse in time of emergency, it is obvious that the bank should so conduct its affairs as to be at all times in a position to meet the demands of the government. There was a time a few years ago when the bank could not meet those demands. We all know the serious results, from which we are still suffering. That history must not be repeated.

The bank and the government must not lose sight of the fact that public funds are the proceeds of taxes levied upon all the people of these islands, and that those funds are placed in the Philippine National Bank primarily for safe-keeping until such time as they may be withdrawn to accomplish the purposes for which they were collected from the people. The bank is, therefore, not free to tie up those funds in unliquid loans. It is not difficult to visualize what the consequences would be for this government and the country if some serious economic or political change should come upon us and should find the government deposits invested in slow and unliquid assets. Here, too, the bank has ample precedent in other countries for investing the deposits of the government in assets which may be easily liquidated in time of trouble.

By way of summary, I would say that the purpose of this letter has been to point out that the principal field of usefulness of the Philippine National Bank in the future will be that of promoting the agricultural development of the country. To accomplish that purpose, the bank must enjoy credit of the first

rating in the important money centers of the world in order to obtain funds cheaply so as to lend them at low rates of interest to the farmers of the islands. In order to achieve this credit standing, the bank must follow the policy already laid down by its board of directors of reducing the amount of slow assets and accumulating a substantial volume of liquid assets which may be realized upon at any time and under all conditions. It is preferable that this bank achieve that position upon its own merits rather than depend upon the direct support of the government. The bank has precedents in the cases of other government-owned banking institutions for the policy of accumulating a substantial fund of liquid assets, which policy is made necessary in the case of the Philippine National Bank by virtue of the uncertain conditions now existing and by virtue of the heavy concentration of government deposits in the institution. These assets of a liquid nature may be accumulated without interfering with the normal course of the bank's operations, by devoting the proceeds realized from the liquidation of the sugar central loans to investment in such assets. It is better to build slowly a sound credit structure based on a firm foundation than to try to disregard approved banking principles by throwing together hastily a flashy, showy, but flimsy structure with little or no foundation, which would crash at the first financial storm, and in falling would carry with it ruin and destruction to the whole country. Your work in rebuilding those foundations on a firm, sound basis is not only a financial but also a patriotic service to the country.

There are one or two more points in regard to the policy of the bank about which I shall write you later.

Yours respectfully,

DWIGHT F. DAVIS, *Governor General.*

APPENDIX E

DECEMBER 26, 1930.

Mr. RAFAEL CORPUS,

President Philippine National Bank, Manila, P. I.

DEAR MR. CORPUS: I have been considering the informal memorandum which you left with me dealing with the question of the erection of a building by the Philippine National Bank. I can well understand that a building more suitable to the requirements of the bank than its present quarters would be desirable from many points of view. It would no doubt tend to improve considerably the efficiency of the bank's organization and thus enable it to render better and more constructive service. I also understand that the building could be constructed in such a way as to be suitable for general business use or for use by the government in the event that the government should decide to liquidate or dispose of its interest in the bank.

For the above reasons, I would not object to the construction of a suitable bank building at the proper time, but I feel that the undertaking should not be carried out until some other things are first accomplished. For example, I believe that the process of house cleaning now under way should be carried to a complete conclusion before money is spent in the erection of a building. By this I mean that a most careful appraisal of all assets of the bank should be undertaken and that a liberal allowance for actual and prospective losses should be made. Furthermore, adequate reserves should be set up against all doubtful or questionable assets. Until this is done, it would seem to me to be inadvisable to use the earnings of the bank for the construction of a building.

Moreover, I consider it extremely likely that public criticism will be visited upon the bank if it should spend money upon a building when it is generally known to be unable to continue granting agricultural loans because of having exhausted its funds available for that purpose. It would therefore seem to me to be necessary to place the bank again in a position to meet the legitimate demands being made upon it by agricultural borrowers before it lays out a considerable sum in the construction of a building.

With respect to the house-cleaning process above mentioned, I should think that it would be possible to complete it within a short time. If that is done so that prospective purchasers and underwriters of National Bank bonds may know that the institution rests upon a solid foundation, there should be no difficulty in the flotation of the bonds. When that situation has been brought about I believe there will be no objection to the bank's investing in the neighborhood of ₱1,000,000 in the construction of a building and in the purchase of

equipment. That sum would represent only a reasonable proportion of the capital of the bank and would compare favorably with similar investments made by other banking institutions.

Before concluding this letter, permit me to suggest that, in view of the difficult times through which we are now passing and in view of the enormous losses which have been sustained by the bank in the past, no loan be granted except after a most careful and conservative estimate has been made of the underlying securities and of the paying ability of the borrower. I realize fully the difficult conditions under which the officers and directors of the bank are at times compelled to work, but I should much prefer to see them make mistakes on the side of conservative management rather than run the risk of incurring heavy losses in the future as a result of yielding to the idea prevalent in some quarters that the Philippine National Bank can be more liberal in granting credit than other institutions, because it is owned and controlled by the government. That idea is very dangerous, if it means, as I am sure it does, that the Philippine National Bank can afford to be less strict than other banks in following policies and practices tried and proven to be sound. I am sure that you and your board fully agree with me in this view. As a guide for the future, it might be well for the board to study the causes of the losses which the bank has sustained in the case of each of its bad debts. I know of no better way to avoid pitfalls in the future.

I should appreciate it if you would convey to the board of directors my views as expressed in this letter, together with the assurance of my full appreciation of their desire to improve the efficiency of the bank and its ability to serve the public.

Respectfully yours,

DWIGHT F. DAVIS,
Governor General.

APPENDIX F

MANILA, January 14, 1931.

MR. RAFAEL CORPUS,
President Philippine National Bank, Manila.

DEAR MR. CORPUS: In this letter I desire to deal specifically with the question of opening additional branches by the Philippine National Bank.

In my letter to you of December 16, 1930, I pointed out that, since the limitation upon farm loans fixed by the Philippine National Bank's charter had been reached, it would be necessary to find a market for the long-term bonds of the bank if it was to be able to meet the increasing demand upon it for such loans. In view of this fact, it would seem that the opening of additional branches would be inadvisable. The principal effect of the opening of such branches would be to create an additional demand for long-term loans which the bank, in the absence of a market for its bonds, would not be in a position to meet. Manifestly, under existing conditions here, the important thing is to increase the supply of loanable funds to meet the present demands rather than to increase the demand without being able to supply the need.

There is also another angle to the question of opening additional branches which should be considered very carefully. In my letter to you of June 5, 1930, I suggested that it could not have been the intention of the government in establishing the Philippine National Bank to keep private capital from engaging in the banking business. It would be a most anomalous situation if the government through its own institution should be the means of preventing its own citizens from engaging in business.

Instead of the government's trying with inadequate resources, through the instrumentality of the Philippine National Bank, to provide the banking facilities which may be needed throughout the islands, it should encourage private capital, particularly its own citizens, to organize local banks and financial institutions, with the Philippine National Bank as a kind of central bank prepared to extend reasonable assistance, by way of rediscounts or otherwise, to local banks in time of need. I am afraid that the establishment of a branch of the Philippine National Bank in a community where no bank exists would have the opposite effect of indefinitely, if not permanently, preventing the local people of the community from organizing a bank upon their own account.

If the government and the Philippine National Bank would be disposed to permit local capital, when ready, to take over the business pioneered by the government institution, there might be somewhat less force in the argument just advanced. Experience, however, proves that whenever the matter has been suggested considerable opposition has always developed to any attempt on the part of private individuals to take over the business of a branch of the bank. This opposition does not appear to be based upon a belief that local capital could not render equally efficient service to the community, but rather upon the idea that the National Bank, being a government institution, is more liberal in extending credit than a privately-owned institution would be. It is unnecessary for me to say that this idea is unsound and in the long run will prove prejudicial to the interests even of those people who entertain it and think that they profit by it.

A local bank, with local capital invested in it and with local men directing its affairs, should be able to serve its community more efficiently than a government bank whose headquarters are located a long distance away from the community. If the Philippine National Bank stood ready, under proper safeguards and within reasonable limits, to assist such local banks, the local communities would be served in perhaps the best manner possible from the standpoint of sound banking. The National Bank might also assist such local banks by providing them with advice and, whenever possible, with personnel already trained in banking.

It is unfair to the Filipino people to assume that they are not capable of doing anything for themselves along financial and economic lines and that the government, as the rich and benevolent parent, must always do everything for them. The people will not develop the strength and resources necessary to solve their problems if the government insists upon always solving those problems for them. The function of the government and the National Bank should be to advise and to assist in connection with the economic undertakings in which the people are concerned rather than to assume the responsibility of actually carrying on those undertakings. I feel sure that the Filipino people desire and require nothing more than that.

In a later and final letter I hope to be able to summarize briefly my views in connection with the policies and operations of the Philippine National Bank.

Very truly yours,

DWIGHT F. DAVIS,
Governor General.

APPENDIX G

MANILA, February 25, 1931.

MR. RAFAEL CORPUS,
President Philippine National Bank, Manila.

DEAR MR. CORPUS: In this letter I propose to summarize what I have thus far written you with reference to the policies and operations of the Philippine National Bank. I also propose to make a few suggestions regarding the conduct of the bank's affairs in the future. Most of these suggestions are already being followed by the present administration of the bank, but I desire to set them forth again as indicating the lines which the bank should follow if we are to discharge properly the responsibility resting upon us in connection with the institution.

Much progress has been made in improving the condition of the bank since the dark days of six or seven years ago. The rehabilitation work then undertaken is still, however, far from complete. The first concern of those of us who are responsible for the welfare of the bank should be the completion of that work before we can properly give much attention to expending its activities. Constant effort should be directed to the reduction as rapidly as possible of the large amount of assets acquired in settlement of loans and the large number of loans in litigation. Constant effort should also be exerted to liquidate the slow loans carried over from the past and to remedy the dangerous concentration of investments in the sugar industry. As the slow loans are collected, particularly the capital advances to the sugar centrals in Negros, the proceeds should be invested in assets which can easily be realized in case of need in order that the bank will be a source of strength instead of weakness to the people of these islands in the event of any serious political or economic disturbance. I can not emphasize these points too strongly because if mis-

fortune should overtake the bank, every inhabitant of these islands would feel the consequences of it in view of the heavy deposits of public money in the institution. Sound banking principles as well as the example set by banks in other countries would counsel the accumulation of a large amount of liquid assets as rapidly as possible. In the case of the Philippine National Bank, that policy can be carried out without restricting in any way its ability to take care of the legitimate demands for accommodation made upon it by its customers.

The following provision of Resolution No. 310, adopted on February 28, 1930, by your board of directors, defines very clearly what I mean by the expression "assets which may be easily realized":

"It is hereby resolved that, as a matter of policy and as rapidly as possible, the bank shall invest insular, provincial, and municipal funds deposited with it in prime liquid securities, such as import bills, export bills, domestic bills, bankers' acceptances, call loans, Philippine Government securities, and United States Government securities—the purpose being ultimately to have all such public-fund deposits invested in securities of that class."

The above provision is sound, not only because it calls for the accumulation of assets which can be realized in time of emergency, but also because it lays down the correct principle of handling the large public-fund deposits in the Philippine National Bank. The bank must not invest in unliquid loans money belonging to the taxpayers of these islands, because that money must be kept available at all times to meet the expenses of the government and carry out the purposes for which it was collected from the people. It is all the more important that this be done now because of the uncertain economic and political conditions surrounding these islands. The funds of the government on deposit with the Philippine National Bank would be urgently needed should trouble come, and they must be so invested as to be immediately available to meet any such need. The bank must not again commit the mistake of using public funds to capitalize industry or to make any other kind of unliquid loans.

A better diversification of the loans and investments of the bank and the accumulation of liquid assets above discussed are necessary preliminaries to a complete restoration of the bank's credit. It is important that its credit be restored without delay in order that it may find a ready outlet for its long-term agricultural bonds at low rates of interest. Without a ready market for its bonds, the bank will be severely handicapped in its attempt to assist in the agricultural development of the islands.

I do not favor the opening of additional branches by the Philippine National Bank at this time. The efforts of the bank should be concentrated upon completing the work of rehabilitation before any consideration is given to any material expansion of its organization. Moreover, until a market is established for the long-term bonds of the bank it would not be in a position to take care of the new demands which would be created by the opening of additional branches. Finally, I think it would be preferable to find some means of encouraging private individuals to open banks in the provinces. The establishment of additional branches of the Philippine National Bank would probably be the means of permanently discouraging the entrance of private banking capital into that field. Out of fairness to the people of these islands, I do not think that the government through its bank should throw any obstacle in the way of their engaging in the banking business. On the contrary, I think that the government, through the bank, should encourage in every legitimate way the establishment of local banks where needed by offering guidance and reasonable financial assistance.

In conclusion, I would summarize my suggestions regarding the Philippine National Bank as follows:

(a) Liquidate as rapidly as possible the large amount of slow assets in the bank, paying particular attention to the assets acquired in settlement of loans and the items in litigation. Reduce the heavy concentration in the sugar industry which is perhaps the bank's principal source of danger.

(b) Eliminate from the bank's assets all bad and doubtful accounts, in order that its published statement may at all times reflect its true condition.

(c) Accumulate as rapidly as possible a very substantial investment in assets which may be easily liquidated in time of stress. As the capital loans to the sugar controls are collected, the proceeds should be devoted to this purpose.

(d) Exercise the greatest care in granting new loans, particularly in this period of depression when the collection of outstanding loans will undoubtedly fall off. The commercial department in particular should make no loans that are likely to be used for fixed investment or other capital purposes.

(e) It would seem to me that the work of rehabilitation could proceed with even greater efficiency if the bank were divided into three major sections: The farm-loan or long-term agricultural credit section, the commercial section, and the liquidation section. The farm-loan section would devote its exclusive attention to the handling of that business of the bank corresponding to the business of farm-loan banks in the United States and other countries. The commercial section would confine its activities to the handling of the commercial business and to the accumulation of liquid assets which I have been discussing at considerable length. The liquidation section would take charge of all assets which have been charged off, or which are considered doubtful of collection, or which the bank has determined to liquidate because of their slow and undesirable character. I should think that a division of the bank's activities along these general lines would be conducive not only to increased efficiency but also to greater actual economy in the transaction of its business. This might entail a substantial internal reorganization of the bank, but I think the matter is of sufficient importance to warrant careful consideration by your board of directors.

(f) The National Bank should be able to develop profitable and serviceable business by means of rediscounting within reasonable limitations the acceptable paper of other banking institutions. I think that this phase of the bank's business might be developed particularly in connection with the establishment of provincial banks by private individuals. I feel that the extension of banking facilities to provincial districts needing them through the establishment of local banks assisted and guided by the Philippine National Bank would be much better for the country in the long run than the government's obtaining, through the bank, a virtual monopoly of banking in those districts through the establishment of direct branches.

I would appreciate it if, with regard to paragraphs (a), (b), and (c) above, you would kindly send to me at the end of each quarter a report showing the progress made in carrying out the suggestions therein contained. The first report might be made as of December 31, 1930, to cover the quarter beginning October 1, 1930.

Respectfully yours,

[SEAL.]

DWIGHT F. DAVIS,
Governor General

ANNUAL REPORT OF THE SECRETARY OF THE INTERIOR

DEPARTMENT OF THE INTERIOR,
Manila, March 31, 1931.

SIR: I have the honor to submit the following annual report of the department of the interior for the calendar year 1930:

Conditions in general.—The affairs of all the bureaus and offices coming under the jurisdiction of this department were administered satisfactorily. In spite of the general business depression which prevailed throughout the year, resulting in decreased local revenue collections, the activities of the Provinces and municipalities did not suffer any serious setback. Insular, provincial, and municipal officials performed their functions efficiently, displayed a fine spirit of cooperation with those with whom they had official relations, and their conduct was in general satisfactory, very few cases of corruption and maladministration in office having been registered.

Inspection of Provinces and of municipalities undertaken by the undersigned and by the personnel of both the executive bureau and of the bureau of non-Christian tribes during the year under review again constituted, as heretofore, the most efficacious means of effecting close supervision over the activities of our local governments and a strong contributory factor in bringing about an efficient and clean administration. A total of 25 Provinces, 274 municipalities, and 2 municipal districts under the jurisdiction of the executive bureau and all the Provinces under the bureau of non-Christian tribes were inspected.

Except for a few minor disturbances occurring in Mindanao and Sulu, the condition of peace and order throughout the archipelago was excellent. The only public disturbance of any consequence occurred in Lanao on May 8, 1930, when an attempt of a constabulary detachment to take up unlicensed firearms held by Sultan Sa Mamur resulted in a cotta engagement at Cawayan, Marantau. As a result, Third Lieutenant Maynes, P. C., and 4 enlisted men were killed and 6 officers and 13 enlisted men were wounded. On the Moro side, nine were killed. On June 26 one of Sultan Mamur's followers surrendered to the constabulary. Mamur and four others are still at large, but search for them continues.

Another public disturbance that may be mentioned was the one that took place at Tugaya, Lanao, on May 28–29, 1930. Shortly after the engagement at Cawayan, Marantau, with Sultan Sa Mamur, Datu Ganassi fortified his cotta at Tugaya. The demand of the provincial governor for him and his followers to vacate the cotta having been met with hostile defiance, the cotta was attacked, taken, and destroyed by the constabulary under Capt. James R. Grimstead. As a result of the hostilities, one enlisted man was slightly wounded in the leg. Datu Ganassi and followers escaped. However, on June 28, Ganassi and 15 followers with their firearms surrendered to Lieut. Amando D. Ylagan at Tugaya and were not prosecuted in view of the promise of immunity made to them.

The year under review registered sporadic activities of a party commonly known as the Communist Party. Meetings of this party have been held in Manila and a few neighboring Provinces, but no disturbance of public order occurred. As the preachings of its leaders are seditious and therefore detrimental to peace and public order, the municipal police and the constabulary keep the members under constant surveillance, and judging from the trend of events, there need not be any apprehension as regards the success of their activities. As an additional precautionary measure, the mayor of the city of Manila as well as provincial and municipal officials have been requested to see that members of this party are not given permits to hold meetings or parades. At the time of the writing of this report complaints for sedition against some of the most outstanding communist leaders have already been presented in court.

Public calamities.—The typhoon of April, 1930, and other typhoons of lesser strength which occurred during the year caused considerable damage to prop-

erty. The Provinces of Leyte and Samar were the worst sufferers from the effects of these typhoons. Other Provinces that were hit by typhoons were Surigao, Cebu, Iloilo, Bataan, Pampanga, and Occidental Misamis, although the damage wrought was not so great as in the first two provinces mentioned. In the Provinces of Laguna, Tayabas, and Batangas, the leaf-miner infestation reported in our last annual report continued throughout the year under review. In addition, fires broke out in several Provinces, the worst sufferers from which being Occidental Negros, Tayabas, Surigao, Tarlac, and Pampanga. The total loss resulting from typhoons, floods, and fires during the year is estimated to be about ₱10,000,000. As usual, the American Red Cross extended relief to the typhoon and fire stricken communities.

Legislation.—Several bills affecting the department of the interior were passed by the Philippine Legislature and approved by the Governor General during the year under review. Of these, the following may be cited as the most important:

Act No. 3680: Prohibiting foreigners to take the examinations for the practice of pharmacy or dentistry in the Philippine Islands unless the country of which they are citizens grant similar privileges to Filipinos residing therein.

Act No. 3681: Providing for the exemption from registration of dental surgeons called from abroad for consultation and eliminating the minimum age of 21 years required of applicants to examinations, but providing that certificates of registration shall not be issued until the candidate shall have reached the age of 21 years.

Act No. 3691: Converting the fixed and mandatory cart and sledge tax into a discretionary levy by the municipal councils.

Act No. 3693: Taking away from the provincial boards the power to remove municipal treasurers.

Act No. 3694: Providing for the creation in the provincial treasury of a special fund to be known as school fund to be available exclusively for the maintenance of provincial schools.

Act No. 3699: Amending section 479 of the Administrative Code, as amended, by repealing the provision which requires Provinces to advance expenses in contested elections.

Act No. 3700: Amending Act No. 3422 by exempting hawkers, peddlers, and hucksters who have secured licenses in any municipality from the further necessity of taking licenses in other municipalities through which they may travel for business, provided their stay in the latter does not exceed 27 days during each quarter.

Act No. 3706: Exempting from taxation real property the entire assessed valuation of which is less than ₱100.

Act No. 3707: Amending section 2666 of the Administrative Code by decreasing the maximum fine that may be imposed for the slaughtering of large cattle for human consumption without permit from ₱500 to ₱200.

Act No. 3710: Amending section 564 of the Administrative Code by designating the period from July 1 to September 15 as the season for half-day labor in government offices in the city of Baguio.

Act No. 3721: Limiting to ₱1.25 the maximum charge which may be imposed and collected by municipalities as impounding fee.

Act No. 3724: Amending sections 2543 and 2553 of the Administrative Code by extending the jurisdiction of the city of Baguio for police purposes over all territory within the drainage area of its water supply.

Act No. 3737: Giving facility to owners for the branding and registration of large cattle.

Act No. 3751: Authorizing an appropriation of ₱2,000 for the erection of a monument or memorial to Gregorio H. del Pilar to be expended under the direction of the secretary of the interior.

Act No. 3753: Establishing a national civil register and making municipal treasurers local civil registrars, instead of municipal secretaries as heretofore.

Act No. 3774: Authorizing quarters allowance for lieutenant governors.

Act No. 3786: Providing for the election of an additional member for each of the boards of the Provinces of Batanes and Palawan in place of the provincial treasurers who had heretofore acted in that capacity.

Act No. 3787: Authorizing municipal councils and the municipal boards of the cities of Manila and Baguio to grant pensions to members of municipal police forces under certain conditions.

Act No. 3788: Creating an additional representative district in the Province of Leyte.

Act No. 3790: Extending the provisions of the local tax autonomy act to municipalities in special Provinces.

Act No. 3798: Providing for a new classification of provinces and fixing higher rates of compensation for provincial governors.

Act No. 3804: Providing for advance payment of cadastral fees by the Provinces.

The following is a summary of the most important activities and outstanding accomplishments of the bureaus and offices under this department:

EXECUTIVE BUREAU

Personnel.—The only important change in the personnel was the appointment of Mr. Modesto Castillo, provincial governor of Batangas, as chief of the executive bureau, to succeed Mr. Vicente del Rosario, who resigned effective November 12, 1929. Mr. Castillo assumed office on September 1, 1930. Up to that time Mr. Eulalio Suaco, assistant chief, was acting chief of the office.

Territorial jurisdiction.—One new Province and two new municipalities came into existence on January 1, 1930. These were the Province of Occidental Misamis, which was created by Act No. 3537 out of the western portion of the former Province of Misamis, and the municipalities of Delgado, Leyte, and Regidor, Occidental Misamis. By Act No. 3701 the name of Regidor was changed to Tanguib and by Act No. 3705 that of Delgado was changed to Anahawan. There were also created during the year eight new barrios. As a result of these changes there were, at the close of the year, 40 Provinces (38 regular and 2 special) and 877 municipalities under the jurisdiction of the executive bureau. Three new municipalities were created in 1930, but their organization did not take effect until January 1, 1931. They are Batan, Province of Capiz; Mainit, Surigao, and Corcuera, Romblon.

Boundary disputes.—Of the 51 cases of boundary disputes appealed to the executive bureau in 1930, only 11 were decided during the year, 10 of which were decided by this department under section 2167 of the administrative code and one, involving jurisdiction over municipal waters, by the Governor General, under section 2322 of the same code. The remaining cases are still under consideration.

Assessments of real property.—In 1930 only 10 municipalities and 7 municipal districts had undergone a new general revision of assessments. As a result of this new revision and the partial revision undertaken in the other municipalities, the total assessed value of taxable property in the 40 Provinces under the jurisdiction of the executive bureau increased to ₱1,531,542,040 at the end of the year. This is ₱53,612,910 more than that of the preceding year and represents an additional tax of about half a million pesos. The total assessed value of exempt property was likewise increased to ₱233,764,730, or an excess of ₱7,560,620 over that of the previous year. The executive bureau also received and acted upon a total of 49 appeals from excessive assessments, 35 of which came from the municipalities and the remaining 14 from the city of Manila.

Local revenues.—Local revenues suffered a decrease of about half a million pesos, but the Provinces and municipalities were able to so adjust their budgets as to avoid serious financial embarrassments. The total collections accruing to the Provinces and municipalities amounted to ₱29,855,095.12 in 1930, as against ₱30,345,058.87 in 1929. The local government also collected for the insular government ₱11,213,258.22 in 1930, as compared with ₱12,929,974.48 in 1929, or a decrease of ₱1,716,716.26. On account of the comparatively poor land tax collections resulting from the general business depression, the typhoons, the leaf-miner infestation, and the low price of palay, the Governor General found it necessary to remit the 10 per cent penalty due on the real property taxes in the Provinces of Albay, Camarines Norte, Camarines Sur, Laguna, Leyte, Samar, Sorsogon, and Tayabas, and remitted the difference between the real-property taxes collectible in the Province of Nueva Ecija under the new revision of assessment and those collectible under the old assessment. No relief was granted in the payment of the cedula tax. A total of 18,976 parcels of forfeited property, with an assessed valuation of ₱5,238,516, was disposed of during the year and became taxable the following year. This represents an additional tax of ₱50,000.

Overdrafts in provincial funds.—The undercollection of revenues in the Provinces of Albay, Leyte, Sorsogon, and Surigao, brought about by destructive typhoons, caused the secretary of the interior to authorize these Provinces

to incur overdrafts at the end of the year in order to relieve them of their financial embarrassment, under section 2122 of the administrative code, as amended by Act No. 3601. The amounts of overdraft authorized were as follows:

Albay -----	₱12, 000. 00	Sorsogon -----	₱30, 025. 68
Leyte -----	17, 300. 00	Surigao -----	21, 160. 00

Financing of local public improvements.—As usual, Provinces and municipalities financed the repair or construction of permanent public improvements from bond issues, voluntary contributions, loans, and insular aid, in addition to local appropriations approved from time to time for the same purpose. In 1930 no Province or municipality was authorized to issue bonds, although Act No. 3711 was passed, and this permitted the sale in the Philippines of the bonds previously authorized for the Province of Cebu for the construction of a capitol building, the Province of Leyte and some of its municipalities for waterworks, and the municipality of Calbayog, Samar, for the construction of a waterworks system. This was done in order to encourage local investment in bonds. In the same year there was received in the executive bureau a total of 209 loan applications amounting to ₱4,466,635. One hundred and thirty-five of these loan applications, amounting to ₱2,884,500, were made to the insular government and 74 amounting to ₱1,582,135, were made to the postal savings bank. Of this total number of applications, the following were recommended for approval: 22 applications for school buildings, amounting to ₱616,500; 23 applications for waterworks, amounting to ₱594,500; 16 applications for municipal buildings, amounting to ₱288,000; 22 applications for markets and slaughterhouses, amounting to ₱327,350; and 16 applications for miscellaneous projects, amounting to ₱668,200. In addition to these loans, 75 requests for authority to solicit and receive voluntary contributions for construction of public improvements were also approved. A detailed statement of all loan applications may be found in the annual report of the chief of the executive bureau.

Administrative cases.—During the year 514 complaints against provincial and municipal officials and employees were received in the executive bureau as compared with 383 received in 1929, or an increase of 131 cases. This increase is due to the fact that 1930 was a preelection year and many complaints were brought against elective officials.

Only a few cases of abuse of authority, gambling, and malversation of public funds were brought to the attention of the bureau. Most of the charges preferred were for minor irregularities, such as neglect of duty, violation of civil-service rules, accounting and other administrative regulations. Among those administratively proceeded against, 5 were provincial governors, 1 deputy governor, 11 provincial treasurers, and 33 municipal presidents. A more detailed account of the nature and disposition of these administrative cases will be found in the report of the chief of the executive bureau.

In addition to the administrative cases disposed of by the executive bureau, there were conducted in the same year 5 special investigations against 3 provincial governors, 3 municipal presidents, 1 chief of police, and 2 municipal policemen. Mariano B. Arroyo, provincial governor of Iloilo, who was investigated by Judge Marceliano R. Montemayer and found guilty not only of tolerating but of protecting gambling in Iloilo, Iloilo, was removed from office by the Governor General. Of the municipal officials and employees investigated, 1 municipal president and 2 municipal policemen were found guilty of procuring and executing a search warrant without probable cause and were accordingly dismissed from the service; 1 chief of police was found grossly negligent in the performance of his duties and was also removed from office; and 1 municipal president, who was found guilty of laxity in his administration, was suspended for three months. The report of investigation against Governor Felipe, of Camarines Sur, who was charged with abuse of authority, has already been submitted to his excellency, while the case against Governor Aquino, of Pangasinan, and Municipal President Roldan, of Bayambang, Pangasinan, for general misconduct in office has not yet been reported by the special investigator.

Campaign against vices.—The campaign against gambling, prostitution, and other forms of vices was carried on more vigorously during the past year. Local officials found guilty of laxity in the enforcement of the gambling law were severely dealt with; cockfighting was discouraged by the imposition of

prohibitive license fees, and the local police, aided by the constabulary, kept close watch over suspected houses of prostitution. As a result of the vigorous campaign thus conducted, an improvement in the gambling and prostitution situation throughout the islands was noted.

Finance.—The total appropriation for this bureau for the year 1930, including insular aids for the Provinces of Batanes and Palawan, was ₱249,912 as against ₱245,145.89 for 1929, or an increase of ₱4,766.11. This increase was due to the increased insular aid granted the Province of Palawan. The total expenditure during the year, excluding the amounts of insular aids granted Batanes and Palawan, was ₱200,693.28, as against ₱203,632.94 in 1929, showing an economy of ₱2,939.66. The income of the bureau, mostly from translation work done for other government offices, amounted to ₱5,694.26.

BUREAU OF NONCHRISTIAN TRIBES

General statement.—The supervision and administration of the provincial governments coming under the direct jurisdiction of this bureau, namely, Agusan, Bukidnon, Cotabato, Davao, Lanao, Mountain Province, Nueva Vizcaya, Sulu, and Zamboanga, were conducted satisfactorily during the year under review. The work directed toward the advancement of regions inhabited by non-Christians in the regularly organized Provinces of Bataan, Mindoro, Occidental Negros, Oriental Negros, Palawan, Pampanga, Rizal, Tarlac, Tayabas, Zambales, Cagayan, Capiz, Ilocos Norte, Ilocos Sur, La Union, and Occidental Misamis, which constitutes one of the main features of the program of administration of the bureau of non-Christian tribes, was carried on as usual with beneficial results to the inhabitants affected.

Scholarships.—In conformity with the policy of the government of preparing non-Christians for community service in their regions, the bureau of non-Christian tribes appointed during the year a total of 36 regular and 6 partial pensionados as against 30 and 4, respectively, in 1929. Most of these pensionados are studying agriculture at the Muñoz Agricultural School, while the rest are enrolled in the Normal School and in the University of the Philippines. There were also two provincial pensionados appointed. Of the regular pensionados, 1 voluntarily gave up his scholarship; 1 had to stop studying on account of illness; 1 was dropped because of misconduct in school; and 2 were dropped due to poor scholarship. The allowance of one of the partial pensionados was withdrawn at the close of the school year 1929-30 on account of poor scholarship.

During the year the bureau also extended financial aid to 32 non-Christian students attending the Muñoz Agricultural School and the different schools and colleges in Manila by paying their tuition fees and giving them occasional cash allotments to meet minor expenses incident to their studies.

In addition to the foregoing, a special aid of ₱500 was granted to the Province of Mindoro for the support of two Mangyan students in the Provincial Trade School during the school year 1930-31 upon the request of the provincial board of that province.

Administrative cases.—During the year only three administrative investigations were conducted by representatives of this bureau. A technical assistant in agriculture of the bureau was required to resign for immorality; the municipal president and the chief of police of the municipality of Bambang, Nueva Vizcaya, respectively, were reprimanded for abuse of authority and official misconduct; the provincial governor of Davao, upon recommendation of the committee which investigated his case, concurred in by the director of the bureau of non-Christian tribes and approved by the undersigned, was removed from the service by the Governor General for various irregularities committed in office, the most serious of which was that of receiving money from a gun store in Manila in consideration of his favorable recommendation on firearm applications submitted to him in his capacity as provincial governor.

Revenue collection and assessment.—Complete reports from four of the specially organized Provinces under this bureau with respect to revenue collections were not available during the preparation of this report. However, from reports up to November, 1930, received from these four Provinces, and from reports covering the whole year from the other five, a general improvement in the collection of local revenues, representing land and cedula taxes, has been noted.

The extension of assessment of real property has brought about an increase of ₱7,876,420.76 in the total valuation, and 46,694 in the number of taxable parcels of real properties. Below are comparative figures for the last three years:

Years	Valuation		Parcels	
	Taxable	Exempt	Taxable	Exempt
1928.....	₱84,013,866.00	₱8,689,944.00	263,132	64,511
1929.....	90,560,951.00	9,051,442.00	236,848	50,588
1930.....	100,278,310.00	9,397,097.20	286,744	51,634

A more comprehensive report covering revenue collections and assessments may be found in the report of the director of the bureau of non-Christian tribes, now in process of preparation. It has not been possible to send this report, together with those of our other bureaus and offices, because some important figures are still being awaited from the Provinces.

Employment of non-Christians.—The policy of the government of employing non-Christians possessing the necessary qualifications was consistently adhered to. In nearly all vacancies in the clerical force in the Provinces and municipalities non-Christians were preferred for appointment, although they lacked the usual civil-service qualifications required of others. The bureau of non-Christian tribes was also able to secure employment for some non-Christian self-supporting students residing in Manila in other bureaus of the insular government.

Non-Christian delegation.—As in previous years, representative non-Christians were invited to Manila as guests of the government during the 1930 Carnival-Commercial and Industrial Fair. Contingents of non-Christians at different times, mostly from Lanao and Sulu, were also taken care of partially while in the city. Some of these parties came with articles made or manufactured in their localities, and these articles found ready acceptance in Manila.

Finances.—The appropriation for the bureau of non-Christian tribes for 1930 was practically the same as that for the preceding year. Out of the total appropriation of ₱79,852 for operating expenses, ₱4,040.31 was saved. All special appropriations, which form the greatest part of the fund at the disposal of the bureau of non-Christian tribes, were spent for the purpose for which intended; that is, the promotion of the interest of non-Christian territories and their inhabitants.

PHILIPPINE CONSTABULARY

Activities.—The Philippine Constabulary, which continued under the command of Brig. Gen. Charles E. Nathorst, was kept active throughout the year. In addition to its regular duties of maintaining law and order, of apprehending criminals and those violating the opium law, the gambling law, and the automobile law, and of cooperating with other bureaus and offices of the insular government, it operated against recalcitrant and fanatical Moros in Mindanao and Sulu, against the unruly Negritos of Zambales and the wild Ilongots of Isabela and Nueva Vizcaya. It also assisted in animal rinderpest quarantine work in the Provinces of Bukidnon and Masbate and in the subprovinces of Ifugao and Kalinga in the Mountain Province; it was on cholera quarantine duty in the Vizayan Islands and on leaf-miner campaign in Batangas, Laguna, and Tayabas. The furnishing of escorts and guards, the maintenance of order during special elections, and supervision over municipal police forces in several municipalities whenever such step was deemed necessary in the interest of public service, were the other activities that occupied the constabulary throughout the year under review.

The constabulary made a total of 809 gambling raids in which 5,563 persons were caught and the sum of ₱18,723.59 confiscated, and 246 opium raids, in which 387 persons were apprehended and ₱6,596.39 worth of opium, seized. It also captured 283 firearms, consisting of carbines, shotguns, home-made shotguns, pistols, and revolvers. It recovered 186 carabaos, 24 horses, and seized ₱101,121.90 worth of other effects of crime; made a total of 6 expeditions;

19,212 patrols covering 2,671,033 kilometers; had 7 encounters with outlaws, in which 15 outlaws were killed and 16 were captured. During these encounters 1 officer and 4 enlisted men were killed and 6 officers and 15 enlisted men were wounded.

Organization.—The actual strength of the Philippine Constabulary as of December 31, 1930, was 401 officers and 6,176 enlisted men, while its authorized strength for the year was 406 officers and 6,332 enlisted men.

Discipline.—The standard of discipline and efficiency in the service was maintained at a high level throughout the year. This was accomplished by periodical inspections conducted by the chief of constabulary, the district commanders, district inspectors, and provincial commanders, and by taking administrative action against those found guilty of offenses tending to bring down the efficiency of the service. As a result of administrative action taken, 1 officer was dismissed, 4 were required to resign, 5 were reduced in files, 25 were fined, and 19 were reprimanded. In addition, 806 enlisted men were tried by summary court and 70 others were dishonorably discharged.

Firearms.—The total number of permits for firearms, consisting of rifles, revolvers, and shotguns, issued by the chief of constabulary in Manila and regular Provinces up to December 31, 1930, was 44,322 as against 42,197 in 1929, or an increase of 2,125. Those issued in Mindanao and Sulu during the same period were 5,631 as against 5,058 in 1929, or an increase of 573. The total number of firearms in the hands of provincial governments, consisting of carbines, rifles, revolvers, and shotguns on December 31, 1930, was 1,692 as against 1,739 in 1929, or a decrease of 47; those in the hands of municipalities were 8,521 as against 8,003 in 1929, or an increase of 518. Sixteen firearms belonging to the constabulary were used by Provinces and municipalities during the year under review. The same number was used in 1929.

Expenditures.—The maintenance cost of the Philippine Constabulary for the year under review amounted to ₱5,396,032.23, which was ₱252,956.30 more than the amount spent in 1929. The increase registered was due to the increased activities of the constabulary in the campaign against leaf miners, cholera, rinderpest, and in the enforcement of the motor traffic and vehicle law, and to the greater number of arrests, detentions, and prosecutions effected. In addition to the foregoing expenditure, the constabulary spent the sum of ₱50,756.51 for new rifles, a new set of musical instruments for the constabulary band, and books and periodicals for the constabulary academy at Baguio.

Constabulary control over municipal police forces.—That its standard of discipline and efficiency might be improved, the municipal police force of the municipality of Bacacay, Albay, was placed under the control of the constabulary by order of the Governor General on March 10, 1930. For the same reason constabulary control over the municipal police forces of the municipalities of Cavite and Maragondong, Province of Cavite, as well as those of Caloccan, Pasay, and San Pedro Makati, Province of Rizal, was continued throughout the year under review. The police force of Cavite, Cavite, has been under the constabulary since 1922 and those of the other municipalities since 1928.

OFFICE OF THE PUBLIC WELFARE COMMISSIONER

General statement.—The work of the office of the public welfare commissioner, consisting principally in the reduction of the infant mortality rate through the agencies of puericulture centers; in the care of the destitutes, minor delinquents, and other classes of dependent people, and in the promotion and coordination of the work of government and private institutions engaged in social welfare work, was carried on with satisfactory results. The maternity and child hygiene division, with the nurses service as auxiliary unit, and the division of dependent children, which are the two main divisions through which the main work and activities of the office of the public welfare commissioner are exercised, were kept active throughout the year. Officials from the central office in Manila made frequent visits to different Provinces, and district supervisors were made to reside in Provinces where many puericulture centers are in operation, such as in Cebu, Occidental Negros, and Ilocos Norte, for the purpose of assisting local puericulture center officials in administering the affairs of their organizations.

Activities and accomplishments.—An extensive campaign was undertaken for the purpose of driving home to the mind of the people the necessity of clean living and of the proper care of children and pregnant women. This campaign

consisted in detailing nurses and midwives to making periodical visits to houses where there were newly born babies and pregnant women so as to give mothers and prospective mothers advice on child hygiene; in holding consultations for the verification of the health and development of infants; in making health examinations of pregnant women, and in giving public conferences and lectures. In addition to these, the office of the public welfare commissioner distributed some 44,805 bottles of tiki-tiki extract to the poor, free of charge. This distribution was done through the puericulture centers, maternity and children's hospital, Philippine Health Service, American Red Cross, and through other hospitals. The results obtained was very gratifying. The rate of infant mortality in the puericulture centers was reduced from 62 in 1929 to only 59.4 per 1,000 in 1930, and the attendance in puericulture centers all over the islands increased from 885,584 in 1929 to 902,957 in 1930.

In its work along child welfare the office of the public welfare commissioner also achieved success. Several improvements in Welfareville, where the training school for boys and girls and the home of the aged are located, were undertaken and completed during the year under review. Of these, the installation of an adequate water supply in Welfareville, the completion of quarters for women prisoners, of the orphanage hospital, and of two cottages for delinquent boys, may be mentioned. Likewise, plans intended to bring about a more judicious treatment of dependent children were given practical demonstration. These included the formation of the child guidance committee; the giving of a leadership course to workers engaged in the proper training of delinquent children, and the introduction of more prevocational courses, such as, teaching, stenography, and typewriting, intended principally for orphan girls. Like the education given to the girls, that of the boys is principally vocational. They receive instruction and training in road and building construction, baking, blacksmithing, tinsmithing, shoemaking, painting, tailoring, plumbing, cooking, bedmaking, auto driving and repairing, electrical installation, music, and other vocations.

There were altogether 1,661 children supervised by the office of the public welfare commissioner during 1930. Of these, 510 were new probationers received during the year. This is the lowest number received for any one year in the past and is attributed to a different policy adopted of merely admonishing and warning children who commit trivial and inconsequential offenses instead of taking them to court. The most common offenses committed by these children are domestic—qualified theft, gambling in all its forms, disobedience to parents or guardians, physical injuries, breach of peace, vagrancy and prostitution, and indecent acts. In the department of orphanage, there were 279 children on December 31, 1930. A total of 201 children sought admission to the orphanage, but out of the 99 who were found deserving, only 40 could be taken in because of lack of accommodations.

Besides delinquent children and orphans, the office of the public welfare commissioner also looks after well children of leper parents in Culion. While these children receive the same education as that given to orphans, they are segregated from the rest in work, play, and study, for the purpose of avoiding contamination, as some of them developed leprosy during their stay in Welfareville. On December 31, 1930, there were enrolled in the different grades, 148 children of leper parents. Those who are older and stronger are given training in the various vocations.

Private charitable institutions.—The government, through the office of the public welfare commissioner, continued to give financial assistance and technical aid to private institutions devoted to work of charity, like the Philippine Islands Antituberculosis Society, which has charge of the work for the cure and prevention of tuberculosis; the Associated Charities of Manila, which looks after the interest of poor and destitute people; the Asociacion de Damas Filipinas, which provides temporary care and accommodation to orphans, neglected and abandoned children, and to divorced, deserted women; the Cota de Leche, which supplies artificially fed babies with milk formulas derived from its dairy farm, and the Hospicio de San Jose de Barili, which takes care of and supports, free of charge, indigent invalids. A detailed account of the activities of these charitable institutions may be found in the report of the public welfare commissioner.

Cooperation with other agencies.—The office of the public welfare commissioner and the puericulture centers under its supervision cooperated, as in past years, with various health agencies in many ways, i. e., the giving of medical

care, free of charge, to the inmates of the Settlement House of the Asociacion de Damas Filipinas; the giving of free consultation by physicians of the office of the public welfare commissioner to babies at the Cota de Leche; the detail of a nurse in the health demonstration unit in Paco, Manila, in conjunction with the school of hygiene and public health; the assignment of puericulture center personnel to the Philippine Health Service to assist the latter in its campaign in the Provinces for the eradication of cholera; the assistance given to the American Red Cross in administering relief in places of disaster, and to the detail of public-welfare physicians and nurses with the traveling clinics of the Philippine Islands Antituberculosis Society in their trips to the municipalities of Provinces around Manila and those of Central Luzon.

Finance.—In 1930 the office of the public welfare commissioner incurred a total expenditure of ₱1,004,742.68. Of this amount, ₱452,167.45 was spent for maternity and child-hygiene work; ₱460,103.70 for the care of dependent classes of children, including the maintenance of minor delinquents in the training schools; and ₱92,471.47 for general-welfare activities, including the aids given to charitable institutions.

THE PHILIPPINE GENERAL HOSPITAL AND THE SOUTHERN ISLANDS HOSPITAL

In General.—A total number of 5,892 patients were refused admission in the Philippine General Hospital during the year under review on account of lack of sufficient accommodations. The Philippine General Hospital being the only state institution in Manila that admits, free of charge, patients coming from practically all parts of the country, and because of the rapidly growing realization on the part of the general public of the advantages of hospital treatment, the problem of lack of accommodation will be difficult to solve for sometime to come. On the whole, however, the administration of the hospital was conducted in an efficient and satisfactory manner.

Accomplishments.—During the year under review, 112,886 patients were treated in the different departments of the hospital, or 4,692 more patients than those treated in 1929. Of the 112,886 patients treated, 15,770 were treated in wards, 65,995 in the free dispensary, 5,513 in the emergency division, 3,263 in the consultation office, 15,740 in the physical therapy department, 3,730 in the out obstetrical service, and 2,875 in the social service. Of the 15,770 patients treated in the wards, 15,323 were discharged and 447 remained on January 1, 1931. Of the discharged patients, 6,727 were males and 8,596 were females, 10,489 recovered, 2,860 improved, 931 were unimproved, 52 were transferred to other hospitals, 4 absconded, while 987 died.

The number of births in the Philippine General Hospital was 2,554 in 1930 as against 2,505 in 1929, or an increase of 49. The rate of mortality was 6.25 per cent of the patients treated as compared with 6.02 per cent in 1929. The number of days of hospital treatment was 175,768 as against 174,955 in 1929, or an increase of 813. The maximum number of patients in the hospital was registered on August 5, 1930, when it reached 512.

In the Southern Islands Hospital the total number of patients admitted during the year under review was 2,748, which represents an increase of 89 over that of the previous year. The number of patients who were refused admission because of lack of accommodations was 2,659 as against 1,886 in 1929. The total number of discharged patients was 2,746 as compared with 2,658 in 1929, an increase of 88 patients. The number of days spent by discharged patients was 29,279 as against 30,097 in 1929, or a decrease of 818. This was due to the fact that patients were discharged earlier than they ought have been so as to give room to the ever-increasing number of people applying for admission. The number of births increased from 70 in 1929 to 83 in 1930. A total number of 2,875 operations was performed, 425 of which were major operations and 2,450 minor. The free dispensary attended a total number of 14,822 new patients during the year as against 14,429 in 1929.

Improvements.—While no construction of any new building was undertaken, several alterations have been ordered during the year under review. Most notable among these were the enlargement of the eye, ear, nose, and throat clinic, which now enables it to have a laboratory of its own and accommodate 14 patients for treatment at one time; the similar improvement undertaken in the gynecology clinic; the transfer of the surgical clinic, which is now occupy-

ing the entire ground floor of the dispensary addition, thus making it the largest clinic in the dispensary both in point of size and in the number of patients treated; the transfer of the dermatology clinic from the old dispensary to a new spacious room in the upper floor of the dispensary annex; the painting of the hospital, which began last February; the painting of the Southern Islands Hospital's building which started in December of last year; the alterations made in the free dispensary of the Southern Islands Hospital in order to properly accommodate all the different units and clinics housed therein; the transfer to a vacant lot back of the pharmacy laboratory of the surgical department of the same hospital, and other minor changes and alterations which are mentioned in the report of the director.

School of nurses.—The Philippine General Hospital School of Nursing admitted a total of 111 students and graduated a total of 54 during the year. The Southern Islands Hospital admitted 26 new students and graduated 19 in the same year.

Scientific papers.—As in previous years, several members of the Philippine General Hospital staff prepared scientific papers dealing with important medical cases most of which were read before the 28th annual meeting of the Philippine Islands Medical Association. A complete list of such papers is contained in the report of the directors.

Finances.—The total expenditures of the Philippine General Hospital for 1930 amounted to ₱914,832.57 as against ₱915,211.14 in 1929, or a decrease of ₱378.57. Those of the Southern Islands Hospital amounted to ₱150,209.66 as compared with ₱135,644.91 in 1929, or an increase of ₱14,564.75. The earnings of the Philippine General Hospital during the year were ₱191,246.67 as compared with ₱179,607.88 in 1929, or an increase of ₱11,638.79. Those of the Southern Islands Hospital amounted to ₱38,246.40 as compared with ₱38,251.22 last year, or a decrease of ₱4.82.

The average cost per capita of patients treated in the Philippine General Hospital in 1930 was ₱4.57 as compared with ₱5.23 in the previous year. In the Southern Islands Hospital it was ₱4.96 as against ₱4.51 in 1929, or an increase of ₱0.45 per capita.

BOARDS OF EXAMINERS

Registration.—There were 134 physicians, 67 midwives, 353 pharmacists, 40 pharmacy clerks, 243 apprentices in pharmacy, 6 Chinese druggists, 315 dentists, 223 nurses, and 6 optometrists that were registered during the year under review.

The records of the boards of examiners show that there were 2,346 registered physicians as of December 31, 1930; 2,341 pharmacists, 1,433 dentists, 2,883 nurses, and 269 optometrists.

Miscellaneous activities.—Aside from their regular duties of giving examinations as provided by law, the boards of examiners held meetings during the year for the purpose of taking up matters relative to the ethical standard of the different professions; the analysis of drugs, medicines, and specifics; the control and supervision over the sale and advertisements of patent medicines, drugs, and specifics. Ten physicians against whom charges involving immoral and unprofessional conduct were preferred were investigated by the board of medical examiners, and, as a result, the certificate of one physician, charged with immoral and unprofessional conduct, was revoked, without, however, prejudice to its reissuance after one year. The charges against the others were dismissed either because the charges were anonymous or because of the failure of the complainants to prosecute the cases filed by them. Likewise eight pharmacists and persons owning pharmaceutical establishments were tried for violation of pharmacy regulations and those found guilty were given adequate administrative punishment. One dentist was deprived of his privilege to practice because of his conviction of a crime involving moral turpitude while a graduate dentist was denied admission to the dentist examination for a period of two years because of dishonorable conduct.

There were 333 samples of pharmaceutical products which were collected and analyzed during the year under review by the board of pharmaceutical examiners and inspectors, 191 of which were found of good concentration and the rest adulterated or misbranded. The board also authorized the opening of 146 drug stores or pharmacies, 335 stores of household remedies, and in-

spected 434 drug stores, 35 Chinese drug stores, 10 hospital dispensaries, and 335 stores of household remedies. As usual and with the limited traveling fund the board of pharmaceutical examiners and inspectors could undertake inspection in some Provinces not inspected in previous years. In these inspections a few violations of the pharmacy laws and regulations were noted and appropriate action taken to avoid their recurrence.

As in previous years, the Philippine Constabulary cooperated with the different boards of examiners in their campaign to rid the country of illegal practitioners in the different professions.

Finances.—The combined income of the boards of examiners for 1930 derived mainly from examination and registration fees amounted to ₱50,270.11, as against ₱42,919.37 in 1929. The combined expenditures of all the boards amounted to ₱43,371.97 as against ₱41,073.59 last year.

CITY OF MANILA

General statement.—Harmony and cooperation between the executive and legislative branches of the city government was again the salient feature of the administration of the city of Manila under the Hon. Tomas Earnshaw in 1930. Due to this spirit of cordial understanding, the different departments of the city government were able to carry on their activities in an efficient manner. The maintenance of law and order was excellent; revenue collections increased, and many important public improvements undertaken.

Assessment.—The total assessed value of taxable property in the city of Manila in 1930 amounted to ₱268,590,137 as compared with ₱261,356,996 in 1929, or an increase of ₱7,233,141. This is the greatest increase registered during the last seven years. The total assessed value of property exempt from taxation was ₱136,450,194 as against ₱134,745,724 in 1929, or an increase of ₱1,704,470.

Revenue collections and expenditures.—The total collections realized from all sources by the city government in 1930 amounted to ₱8,157,049.45 as against ₱7,645,104.74 in 1929, or an increase of ₱511,944.71. This increase is significant when it is considered that 1930 was generally regarded as a poor year due to the economic crisis.

The total expenditures of the city for 1930, including expenditures for continuing appropriations, amounted to ₱8,142,466.29 as against ₱7,871,608.69 in 1929, or an increase of ₱270,857.60. It will, therefore, be seen that the total amount of collections realized in 1930 exceeded the total amount of expenditures for the same period by ₱14,583.16.

Public improvements.—As already stated, many public improvements were undertaken and completed during the year under review, financed both from the bond issue fund (Act 3456) and revenue collections. Of these, the construction of the Tomas Earnshaw Primary School at Santa Ana, Manila; of the Home Economics Annex Building to the Burgos Elementary School; of the industrial shop for the Santa Ana Elementary School; of the Luneta comfort station; of the Paco market addition; of the constabulary band building at Gagalañgin Barracks; of the Mamante public lavatory, and the installation of new ornamental electric lamps may be mentioned as the most outstanding. Besides these, repairs on several city-owned buildings and school houses involving an expenditure of ₱104,590.03 were also undertaken.

The office of the city engineer was also kept busy in the construction and repair of streets, curbs, gutters, canals, posts, and bridges. During the year under review 49 streets covering a total area of 97,045.64 square meters were either extended or improved; 146 were repaired with macadam stone, asphalt macadam, and concrete; 5 new public hydrants were installed; 55,678.25 square meters were added to the street area; 41,367.45 square meters of street were repaired; 4,893.12 square meters of sidewalks, 7,391.52 lineal meters of curb, and 18,977.23 lineal meters of gutter, canal, and drainage were constructed; 1,653 street signs and posts, 1,346 refuse receptacles, 75 boxes for receptacles, and 190 traffic signs and posts were repaired, and 68 parcels of low land with an area of 313,488.13 square meters were filled.

Law Enforcement.—The maintenance of law and order was efficiently handled by the police department and the crime situation during the past year was generally satisfactory. No efforts were spared to rid the city of all forms of commercialized vice, such as gambling, unlawful use of narcotics, and prostitution. Twenty thousand six hundred and twenty arrests were made by the

police department in 1930 as against 22,626 in 1929, or a decrease of 2,006. Of the crimes for which arrests were made, cruelty to animals, gambling, violation of the public vehicle law, theft, violation of traffic regulations, physical injuries, violation of the motor vehicle law, breach of peace, disobedience to police order, and estafa may be mentioned as the most common.

The number of criminal cases filed by the city fiscal in 1930 in the municipal court was 18,347, as compared with 20,391 cases filed in 1929, or a decrease of 2,044. In addition, 5,525 civil cases were also tried and disposed of during the year.

Education.—The school situation in Manila during the past year was extremely satisfactory. All the pupils applying for admission into the elementary grades whose parents were bona fide residents of the city were duly accommodated in the public schools. Parent-teachers' associations were formed in different districts and these contributed in no small measure to the production of the welfare of the school children.

The total number of pupils in the day and night schools in 1930 was 71,042, as against 69,448 in 1929, or an increase of 1,594 pupils. The total number of teachers employed by the city was 1,704. Of these, 1,561 were teachers in day schools and the rest (143) were in the night schools.

Fire losses.—During the year under review, the total loss from fires amounted to ₱586,727 as against ₱1,356,609 in 1929, or a decrease of ₱769,882. These fires were due principally to carelessness. Only three fires were found to have been of incendiary origin.

Building construction.—A total of 1,832 permits were issued in 1930 for the construction of strong material buildings; 2,126 permits for repairing strong material buildings; 120 permits for construction of mixed and light material buildings, and 3,511 for repair of mixed and light material buildings. The total number of building permits issued was 7,589 as against 7,593 in 1929. The total value of all constructions for which permits were issued amounted to ₱3,580,330 and the fees collected therefrom by the city amounted to ₱110,633.29. This includes the amount of ₱5,371 for fines imposed for violation of building ordinances.

Manila beautiful movement.—The movement inaugurated some years ago for the improvement of the aesthetic appearance of the city was continued with renewed vigor last year. Among the projects undertaken in the interest of the movement were the filling of low, marshy lands to the street level; the continuance of the yearly practice of giving prizes for beautiful buildings and gardens; the cultivation of trees and plants; the maintenance of parks, gardens, plazas and grounds, and the planting and trimming of trees along city streets.

CITY OF BAGUIO

General statement.—The year under review had been a successful year for the city of Baguio in every respect. Despite the economic depression that has hit the country, its gross revenues were augmented, the assessment valuation of real property increased by over a million pesos, its different operations and utilities registered a substantial gain, the maintenance of law and order was excellent, and its health condition was all that could be desired.

Public works.—Besides its routine work of maintaining roads, city parks, gardens, and cemetery grounds in good condition, the city engineer's office undertook, during the year under review, the construction of 1,095 meters of road; the surfacing and resurfacing of 4,933 meters of roads in different sections of the city; the patching of 9,855 square meters of asphalt on roads in different districts; the excavation of 5,354.56 cubic meters of dirt; the widening of roads in different sections by 1,335 meters; the laying of 317 meters of pipes in Burnham Park and 637 meters of storm sewer and drains of varying dimensions in other places; the extension of the sewer system by 396 meters of open canal along Trinidad River and of the waterworks system by 2,395 meters of G. I. pipe of varying sizes; the placing of 10 fire hydrants in different sections; the installation of 7,800 meters of telephone metallic line, of 4,609 meters of underground cable, of 20 G. I. telephone posts, of 5,000 meters of telephone line (single), of 74 pairs of protected terminal, and of 1,200 meters of additional metallic telephone line from Central School to Quezon Hill. The city engineer also undertook the extension of 687 and 1,064 meters of secondary and primary lines for electric light purposes, the installation of 1,238 meters of additional single wire for primary line, and the extension of 6 street lights

from Naguilian Road to Quezon Hill. Aside from the above, there were other constructions undertaken during the year, among which was the construction of the new hydroelectric plant which was begun immediately after the rainy season. Work is in progress at the close of the year under review, the roads for the initial (temporary) installations having already been completed.

Assessment.—The total assessed value of real estate property in the city of Baguio increased by over a million pesos in 1930 and the total value of property subject to taxation amounted to a little less than a million pesos over that of the previous year. For the purpose of comparison, a comparative statement of the real assessment valuations of real estate in Baguio for the last three years is given hereunder.

	1928	1929	1930
Total assessed value.....	P9,973,845	P10,633,955	P11,929,580
Total exempt from taxation.....	6,573,600	6,643,500	7,109,790
Total subject to taxation.....	3,400,245	3,990,455	4,819,790

Utilities and operations.—The different utilities and operations of the city of Baguio, consisting of the telephone system, the ice plant, the electric light plant, the market and slaughterhouse, the pail and garbage service, and the water-supply system, were successfully managed during the year, a profit of ₱167,094.29 having been realized from their operations as compared with ₱147,762.05 realized in 1929, or an increase of ₱19,332.24.

Financial statement.—The report of the city treasurer shows that at the end of the year under review there was in the general fund a balance of ₱209,298.20, ₱16,322.81 in the waterworks fund, ₱9,139.35 in the school fund, and ₱4,484.88 in the engineering fund, or a total balance in all funds in the amount of ₱239,245.24. These balances include the balances effected in 1929.

The expenses of general administration of the city government amounted from ₱69,383.91 in 1919 to ₱122,999.62 in 1930, or an increase of ₱53,616.71 in 11 years. This increase is attributed mainly to higher cost of street lighting and to the increased activities of the different departments of the government of the city of Baguio. The gross revenues of the city, however, also registered an increase of approximately 50 per cent. The general city revenues, exclusive of operation accounts and government aid, increased from ₱63,969.65 to ₱165,454.16 during the same period. The gross profits on operation accounts, exclusive of interdepartmental operations, likewise increased from ₱6,438.14 to ₱167,094.29 while government aid has been reduced from ₱219,677.78 to ₱133,435. It will thus be seen that the general city revenues, including operation accounts but exclusive of government aid, have increased by over 400 per cent in the last seven years. Allowing 4 per cent for depreciation, the net profit on utilities operated by the city is estimated to be approximately 9 per cent.

Building construction.—During the year there were issued in the city of Baguio 152 building permits, 28 of which were for residences, 7 for business houses, 4 for garages, 105 for repairs and additions, and 8 for miscellaneous purposes. The total cost of the buildings for which permits were granted in 1930 is calculated to be about ₱366,585. The number of permits issued in 1930 was 37 less than the number issued in the previous year. The decrease is attributed principally to the general business depression that prevailed in the islands throughout last year.

Health and sanitation.—Baguio was kept clean and sanitary during the year under review, no epidemic or dreadful disease of any kind having broken out. Precautionary health measures were duly taken. The services of a bacteriologist from the Bureau of Science was engaged by the city for the purpose of learning the real facts regarding the effects of sewage purification; a campaign for the eradication of flies was inaugurated by distributing 2,300 fly swatters to the school children and offering prizes to the group that brought in the greatest number of flies; a complete mosquito survey was undertaken and steps were taken for their eradication; 1,581 children were examined, of whom 751 were found to have physical defects and urged to submit to treatment; health talks on different subjects were given in schools; restaurants and hotels were kept under close surveillance; and anticholera vaccine was given twice during the year to the population of Baguio as a prophylactic measure.

Two hundred and thirty-nine births and 209 deaths were registered during the year as against 297 and 219 reported in 1929. The rate of infant mortality was only 19.5 per cent under 1 year old.

Law and Order.—The justice of the peace court of Baguio tried 428 criminal cases and heard 26 civil cases. All of these, with the exception of one case, were disposed of at the close of the year.

The fines and fees collected by the justice of the peace court in 1930 amounted to ₱5,072.01, of which ₱3,240.70 represents fines and costs for violations of city ordinances, and the balance represents fines and costs in criminal cases, deposit and docket fees in civil cases, and other miscellaneous fees.

Seven hundred and nine persons were arrested in 1930 as against 682 in 1929; 137 animals were impounded as against 205 in 1929; and ₱840.30 worth of articles lost during the year were recovered as against ₱996.40 in the preceding year.

Baguio as a vacation resort.—The city of Baguio continued as the most popular vacation resort of Filipinos, Americans, and foreigners. The number of visitors in 1930 was 33,465 as against 28,612 in 1929. As is customary, Baguio was again selected last year as convention city by both governmental and private entities.

METROPOLITAN WATER DISTRICT

Changes in personnel.—No important change in the personnel of the district took place. Those that occurred were of minor importance. Paul W. Mack, who was designated acting manager upon the retirement of Abraham Gideon in 1929, continued in that capacity.

In general.—On the whole, the district functioned efficiently during the year under review. The public was satisfied with the service it rendered, as shown by the absence of complaints due to insufficient water supply. The water supplied was safe both for ordinary domestic and drinking purposes.

Accomplishments.—In conformity with the policy of the district board and also in order to satisfy a long-felt need, the distribution system was extended to the municipalities of Malabon, Parañaque, San Pedro Makati, and San Felipe Nori. Besides these extensions, enumerated in detail in the report of the manager of the district, there were also built for private parties water mains and sewer lines.

The total number of active water services on December 31, 1930, in Manila and in the neighboring municipalities was 26,599, of which 16,574 were connected with the sewer system. The per capita consumption remained the same as in the last few years, which was about 75 gallons per day.

The water services were kept in good working order. During the year, a total of 10,996 meters were repaired and 1,926 tested, at a total cost to the district of about ₱26,460.19. There were also repaired during the year 3,326 service pipes, at a total cost of ₱24,269.58.

All the fire hydrants were maintained constantly in good condition and were ready and available for immediate use at all times. Forty-seven new fire hydrants were installed during the year, while two were discontinued. On December 31, 1930, there were 812 fire hydrants in the city of Manila, 802 of which were public post hydrants and 10 were private post hydrants. Including those of the neighboring municipalities, such as Caloocan, San Juan, Pasay, San Pedro Makati, San Felipe Nori, and Malabon, there were a total of 888 fire post hydrants available in the whole district. There were also on December 31, 1930, 370 public hydrants, 351 of which were located in the city of Manila and the rest in Caloocan.

Water supply extension.—The water supply extension was carried on uninterruptedly during the year. Several of the projects mentioned in our last annual report as being undertaken in relation to the water supply extension program of the district were completed during the year under review. These were the construction of the road from kilometer 24 to the dam site at Ipo; of the filtration plant, which cost the district ₱1,025,81.29; of the 2.3 kilometers of tunnel in adobe formation, at a total cost of ₱474,227.79, and of 4 kilometers of tunnel and cut and cover conduit in adobe formation at a cost of ₱701,959.97. Work on 2.5 kilometers of aqueduct tunnel and on 3.7 kilometers of reinforced concrete siphon, under contract by John Gordon, is progressing rapidly.

Financial condition.—The net worth of the district as of December 31, 1930, was ₱12,545,225.26 as against ₱11,714,416.29 on December 31, 1929, or an increase

of ₱830,808.97. The net worth of the district upon its organization as a government entity was only ₱3,283,411.91.

During the year the gross income of the district amounted to ₱1,873,187.68 while its total expenditures amounted to ₱1,611,233.28 thus realizing a profit of ₱261,954.40.

PENSIONADOS

Nine of the total ten pensionados provided for in the 1930 appropriation law were appointed during the year to pursue scholarship courses on (1) fish canning and preservation, (2) meat canning and preservation, (3) vegetable canning and preservation, (4) manufacturing of home utensils, such as, tableware and glassware and the like, (5) weaving industry, (6) motor engineering, (7) naval architecture, (8) port-works design and construction, and (9) irrigation engineering. For marine engineering, which was one of the 10 scholarship courses provided for in the law, no one was appointed, nobody having qualified in the competitive examination given by the bureau of civil service on this subject. All the pensionados appointed sailed in the latter part of the year except one, whose departure was deferred until February of this year upon the request of the department secretary concerned.

Accomplishments.—On the whole, the work of the Philippines pensionado agent in the supervision of government pensionados was carried on satisfactorily. In addition to attending to the administrative phase of the work of the Philippine Pensionado Agency, the Philippines pensionado agent visited 13 cities in the interest of the pensionados.

With but few exception all the pensionados maintained satisfactory scholastic records and conduct and, except for one partial pensionado, who developed incipient tuberculosis due to severe cold, none of them suffered any serious illness. Many of them secured academic degrees ranging from bachelor's to doctor's degrees. Some of them received distinctions, such as, election to honorary societies for excellent scholarship and valuable scientific work contributed by them.

The policy of giving pensionados practical experience in their respective lines of work by helping them secure suitable positions was continued.

As in past years, besides looking after the interest of the regular and partial pensionados, the Philippines pensionado agent also took charge and supervision of the activities of the university fellows, the special fellows, and the pensionados of the department of public instruction, who are appointed under Act No. 3290.

Expenditures.—Of the ₱232,000 appropriated in 1930 for the maintenance of pensionados abroad, a total amount of ₱101,398.06 was expended. Of this amount, ₱9,164.80 was expended at Manila and ₱92,233.26 in the United States. The average annual expenditure for each pensionado student in 1930 was ₱3,297.87 as compared with ₱3,649.53 in 1929, or a decrease of ₱351.71. This decrease in the per capita annual expenditure of pensionados was made possible because of the policy of economy observed by the pensionado committee in the expenditure of pensionado funds. Only expenses considered of absolute necessity were authorized.

At the end of the year under review there were in all 13 pensionados on the pay roll, 11 of whom were regular pensionados and 2 partial pensionados. Aside from these, however, there were 6 partial pensionados, who were allowed by the committee, on their petition and upon favorable recommendation of the Philippines pensionado agent, to stay in the United States at their own expense, either to pursue further studies or to acquire practical experience in their respective lines. These partial pensionados have been reserved the right of return transportation upon the completion of their studies or practical assignment.

THE PHILIPPINE BOARD OF CENSORSHIP FOR MOVING PICTURES

In pursuance of the provisions of Act No. 3582 of the Philippine Legislature, a board of censorship for moving pictures, consisting of 15 members, appointed by the Governor General, with the advice and consent of the Philippine Senate, was created and organized during the year under review. The board met for

the first time on May 16, 1930, in the office of the undersigned. At this meeting Hon. Teodore M. Kalaw and Mr. Lawrence Benton were elected president and secretary, respectively, of the board.

As stated in the law, the functions of the board are (a) to examine all films, spoken or silent, imported or produced in the Philippine Islands, and prohibit the introduction and exhibition in this country of films which, in the judgment of the board, are immoral, or contrary to law and good customs, or injurious to the prestige of the government or people of the islands; and (b) to promulgate its own rules of procedure and operation in general, subject to the approval of the secretary of the interior, and to keep a permanent record of all its proceedings with reference to the films examined, whether passed or not. The law provides that all decisions of the board are appealable to the secretary of the interior and the decisions of the latter are in turn appealable to the Governor General.

Activities.—The board performed its work of censorship of moving pictures through standing and special committees. The standing committees were assigned to the examination of films exhibited in first-class moving-picture theaters in Manila, while a special committee took charge of the examination of films exhibited in Chinese theaters. In order to make possible the examination of films in places other than Manila, the board recommended the amendment of Act 3582 in such manner as to permit the appointment of agents or representatives who shall be authorized to represent the board in the Provinces. Pending the passage of this proposed amendment, the board has submitted a plan to the collector of customs which would make possible the sending to Manila for examination of all films coming to the country through subports.

A total of 1,251 films were censored during the year. Of these, 1,243 were approved without elimination—6 with eliminations and 2 were withdrawn.

In addition to the foregoing, the board held several meetings during the year in which several resolutions tending to carry out more effectively the provisions of the moving-picture censorship law were approved. These resolutions may be found in the report of the chairman of the board.

NATURALIZATION

The naturalization papers of 38 foreigners were received in this department during the year for custody pursuant to the provisions of Act No. 2927. Of these, 16 were Spaniards, 6 Russians, 5 Chinese, 3 Germans, 2 Frenchmen, and Englishmen, Greek, Polish, Swiss, Latvian, 1 each. The naturalization papers of a native of the Lebanon Republic were also received in this department.

MISCELLANEOUS ACTIVITIES

The Philippine Committee on Geographical Names and of the Baguio Improvement Committee, both of which the undersigned is the chairman, held meetings during the year. The former met twice for the purpose of discussing the principle that should be followed in correcting the spelling of the names of barrios and sitios, while the latter met once. In this meeting, the Baguio Country Club was given permission to use the polo field for golf purposes subject to several conditions, among which was the restriction imposed that no bunker or other construction that would prevent the emergency landing of airplanes be constructed on the polo field.

Pursuant to the provisions of Act No. 3602 setting aside the sum of ₱90,000 in addition to the amount appropriated by Act No. 2760, for the erection of a monument in memory of Andres Bonifacio and for the necessary improvement of the site of that monument, including the giving of such prize or prizes, not exceeding ₱5,000 in all, as may be awarded by the secretary of the interior for the most appropriate models, drawings and plans for this monument, the undersigned invited public competition for this purpose, and appointed a board of three members composed of Mr. Andres Luna de San Pedro as chairman, and Messrs. Vicente Francisco and Tomas Napua as members to pass upon the models, drawings, and plans submitted.

The contest closed on July 15, 1930, with 13 contestants. After due deliberation, the board unanimously agreed to award the first prize of ₱3,000 to the model submitted by Mr. Guillermo E. Tolentino, and the second prize of ₱2,000 to the model submitted by Mr. Juan F. Nakpil. The committee's decision to

award the first prize to the model of Mr. Guillermo E. Tolentino was based on the fact that his work as a whole possessed all the necessary requirements, artistic and sculptural, having in mind the greatness of the man in whose honor the monument is to be dedicated. The second prize was awarded to Mr. Juan F. Nakpil because, in the opinion of the board, his work was the most original under the tenets of modern art.

This department has asked the director of public works to investigate the availability of the materials called for in the specifications contained in the plan selected as well as the total cost of such materials, for the purpose of determining whether the money now on hand for the construction of the proposed Andres Bonifacio Monument, amounting to ₱134,479.50, exclusive of the cost of the site therefor, is sufficient. This information is considered necessary before construction of the monument is actually started.

Very respectfully,

HONORIO VENTURA,
Secretary of the Interior.

His Excellency the GOVERNOR GENERAL, *Manila.*

[illegible]

ANNUAL REPORT OF THE SECRETARY OF PUBLIC INSTRUCTION

DEPARTMENT OF PUBLIC INSTRUCTION,
Manila, March 5, 1931.

His Excellency the GOVERNOR GENERAL, *Manila.*

SIR: I have the honor to submit the twenty-ninth annual report of the department of public instruction for the calendar year ending December 31, 1930.

GENERAL STATEMENT

The organization of the department and of the offices under it remained the same. The officers during the year were as follows:

Department proper: Eugene A. Gilmore, vice governor and secretary of public instruction; Alejandro Albert, undersecretary. Vice Governor Gilmore left for the United States on November 23, 1929, in the interests of education and health. On May 31, 1930, he presented his resignation, which the President made effective June 20, 1930. A few months after the resignation of Vice Governor Gilmore, the President gave Mr. Nicholas Roosevelt, of New York, an ad interim appointment as vice governor and secretary of public instruction. However, in view of the opposition voiced by the Filipino participation in the government and the Filipino press, Mr. Roosevelt resigned before assuming office. On December 4 the President appointed the Hon. George C. Butte to the same post, and the appointment was confirmed by the United States Senate on December 9. On December 31 Vice Governor Butte took the oath of office, sailed for the islands on January 16, and arrived in Manila on February 12, 1931. From November 23, 1929, to the date of the arrival of Vice Governor Butte, the undersigned took charge of the department.

Bureau of education: Luther B. Bewley, director; Gabriel Mañalac, assistant director. Director Bewley left for the United States on August 4, 1930, on a 6-month trip, which was partly spent in visiting schools and in recruiting teachers for the bureau of education. Mr. Gabriel Mañalac served as acting director of education during the absence of the director.

Office of the commissioner of private education: W. G. M. Buckisch, commissioner.

Philippine health service: Jacobo Fajardo, director. Doctor Fajardo returned to the islands on April 2, 1930, from a trip to the United States and Europe, made upon the invitation of the Rockefeller Foundation. Dr. Eusebio Aguilar, chief of the division of hospitals, dispensaries, and laboratories, was designated acting director of health during the absence of Doctor Fajardo.

Bureau of quarantine service: R. W. Hart, chief quarantine officer for the Philippine Islands.

As stated in previous reports, all the public schools, with the exception of the University of the Philippines, are administered through the bureau of education, and all private schools with courses recognized and permitted to open by the government are under the supervision of the commissioner of private education. The University of the Philippines is managed by a board of regents, of which the secretary of public instruction is chairman, and the director of education and the president of the university two of the members. The annual report of the president of the university is submitted to the board of regents. The under secretary of public instruction served as acting chairman of the board during the entire year.

One of the principal departmental events of the year was the study of vocational education in the islands made by Dr. Charles A. Prosser, well-known authority on vocational and industrial education in the United States. Doctor Prosser arrived in the islands on January 6 and left on May 16, 1930. His findings and recommendations are set forth in a report of more than 400 pages, submitted to the secretary of public instruction, and later transmitted by the

department to the director of education for study and consideration. The report of Doctor Prosser is valuable in that it recognizes the achievements of the bureau along the lines of vocational education and indicates clearly the weaknesses and defects of the system and makes constructive suggestions and recommendations for improvement in the future. Copies of the report were furnished His Excellency, the Governor General, the presiding officers of the Philippine Legislature, and other persons interested in vocational education.

The year 1930 witnessed notable development in health education in the public schools. The formation of good-health habits among the pupils was persistently stressed upon. To a great extent, school lunches were prepared and served with a view of imbuing pupils with the nutritional value of different kinds of food. Moreover, health education was given additional impetus through increased supply of health readers in the school libraries, and by providing pupils with enriched diet through more extensive use of school garden products. Mention should be made also of the increased number of school nurses during the year and of the close cooperation of the bureau of education with the Philippine Health Service through educational work, in eradicating diseases and preventing the occurrence of epidemics. With the health education program already under the expert guidance of a health specialist, the public may rest assured that a steady growth in healthmindedness and a continued improvement in the general health level among the school children, augur well of permanency.

The period of rapid development of the private-school system from 1926 to 1928 was followed by a year of readjustment during 1929, and in 1930 we saw the creation of a competent testing section in the office of the commissioner of private education and the consequent launching of a more comprehensive and more effective testing campaign. The fact that the year 1930 was characterized by a decrease in the amount of supervisory work accomplished as a result of reduced travel allotment did not seriously hamper the work of the commissioner's office, as the resultant letting down of supervisory stimulus caused a diversion of supervisory attention to the accomplishment of other similarly useful results. In the first place the office was able to give more attention to the revision of the minimum requirements for technical courses, and, in the second place, the field personnel gave more intensive supervision to the schools readily accessible from field headquarters and were thus able to put such schools in much better condition than they were before.

In the field of health and sanitation, the major service rendered by the government was, as in the past, performed by the bureaus under the jurisdiction of the department, the Philippine Health Service and the bureau of quarantine service. As usual, such allied health institutions as the General Hospital, the Southern Islands Hospital, and the public welfare commission, which are operating under the department of the interior, also performed certain types of public health work.

The department continued taking advantage of the services of the special advisory committees, namely, the advisory committee for the control of leprosy and the advisory committee for malaria control, which, as their names indicate, served in an advisory capacity for the guidance and promotion of certain health activities performed under the jurisdiction of the department. As heretofore, their membership was composed of the personnel of the different bureaus concerned, and of the United States Army stationed in the islands. These committees were presided over by the under secretary of public instruction, owing to the absence of the secretary, who, as already stated, was in the United States.

The total insular appropriations for 1929 and 1930 were as follows:

Bureau or office	1929	1930	Increase (+) or decrease (-)
Department of public instruction ¹	P108, 967	² P123, 210	+ P14, 243
Bureau of education ³	19, 710, 410	20, 959, 760	+1, 249, 350
Philippine Health Service ³	4, 047, 296	4, 327, 060	+279, 764
Quarantine service.....	163, 234	165, 164	+1, 930
Total.....	24, 029, 907	25, 575, 194	+1, 545, 287

¹ Approximately P60,000 for the office of the commissioner of private education.

² Approximately P66,000 for the office of the commissioner of private education.

³ The appropriation for public works is included in the figures reported for both years 1929 and 1930.

The share of the department (including the office of the commissioner of private education) in the allotment for miscellaneous expenses, which are appropriated in lump sums as common funds for all the departments of the executive branch of the government is not included in the figures itemized for the department of public instruction. However, the inclusion of these items will not materially change the proportion between the appropriations for the two years 1929 and 1930.

The major activities of the agencies under the department are briefly discussed below. More detailed statements and statistics will be found in the table herewith annexed and made part of this report.

BUREAU OF EDUCATION

Significant features of the year's work.—Practically the most outstanding achievement of the year was the extension of educational opportunity to 35,000 additional children through the appropriation provided by Act 3628. Nevertheless, the year had other encouraging features, among which the following are especially noteworthy: Improvement of instruction as shown by the results of tests, the increased attention given to certain phases of academic, vocational and health work, and the establishment of teachers' organization for the promotion of greater efficiency; an increase of 5.50 per cent in school funds from all governmental sources, together with an increase of ₱411,616.76 in voluntary contributions for 1929-30 over that of the preceding year; the establishment of a department of curriculum construction for the reconstruction of the present curricula; the decrease of pupils dropped from all schools from 15.62 per cent in 1925-26 to 11.02 per cent in 1929-30; and an increase in promotions of elementary pupils from 73 per cent in 1923-24 to 86 per cent in 1929-30.

Extension of educational opportunity.—Improvement in annual enrollment in the public schools, which was started in 1927, was kept up in 1930. In 1928 the enrollment in public schools was 35.45 per cent of the total number of children of school age. This figure increased to 36.53 per cent in 1929 and to 37.62 per cent in 1930. The improvement for 1930 will be more notable when it is taken into account that the percentage for that year—37.62 per cent—was computed on the basis of a school population larger by 44,534 than that of 1929 and larger than the school population for 1928 by 89,060. This increase in enrollment appears to be largely due to the passage of Act No. 3628, which made possible the opening of 700 new primary classes during 1930.

However, at the beginning of the school year accommodations still remained insufficient, so that 92,405 children were refused admission to the elementary schools. The majority of such refusals were for central schools. It should be said that with the addition of 1,002 primary classes in 1929 and 700 in 1930, the government had to cope with the serious problem of providing school facilities for all pupils in the upper elementary grades. In the secondary field the increased number of schools offering complete secondary curricula improved our facilities.

On the basis of the population estimated by the Philippine Health Service for 1929, if only normal-age children were admitted in school, the facilities now available would make it possible to accommodate only 92, 63, 49, 50, 33, 24, and 20 per cent of all the available children in the first, second, third, fourth, fifth, sixth, and seventh grades, respectively. While adequate school facilities are available for approximately 63 per cent of the estimated number of primary school children of normal age, the facilities for intermediate instruction take care of only about 25 per cent of the estimated number of children of normal age for the intermediate grades.

During the past six years the percentage of attendance in the combined primary, intermediate, and secondary schools steadily increased, thereby showing a like growth in the aggregate holding power of the schools. This result may be considered largely indicative of a better recognition of the value of education on the part of the masses.

Based on the total enrollment in the secondary public general and vocational schools, the percentage of enrollment in the general secondary course has steadily decreased since 1925. The same may be said of the enrollment in the normal and commercial secondary courses, although the decrease in the last two courses began somewhat earlier. In the farming course there was a drop from 5.44 per cent in 1929 to 4.94 per cent in 1930. On the other hand, the trade and nautical courses and the course in home economics were evidently gaining popu-

larity as the percentage of enrollment in these courses have been largely on the increase since 1925.

The median percentage of pupils dropped from the public schools during the school year 1927-28 was 14.32 per cent on the basis of the enrollment for that school year. This decreased to 14.30 per cent during the following school year, and for the school year 1929-30 the corresponding figure was even smaller, it being only 13.90 per cent. Thus it is obvious that there has been a growing tendency for pupils to stay in the schools throughout the year.

During the school year 1923-24 the rate of promotion of elementary pupils was 73 per cent, computed on the basis of the enrollment for March of that year. This rose to 76 per cent in the following school year and to 82 per cent in the school year 1925-26. In 1926-27 there was a halt in this rise, but in 1927-28 the rate of promotion for the grades was 83 per cent. It went up to 85 per cent in 1928-29 and 86 per cent in 1929-30. In the secondary schools the rate of promotions steadily increased from the school year 1924-25, when it was only 74 per cent, and reached 86 per cent during the school year 1928-29. For the school year 1929-30 the rate of promotions of secondary students was 1 per cent less than that for the preceding year, when it was only 85 per cent, although it is interesting to note that the number of secondary students promoted in 1929-30 was 60,150, while those promoted during the preceding school year numbered 55,476 only.

Expansion of vocational program.—During the year the agricultural and shopwork progressed to the extent that every elementary school already had a garden, and the number of school shops showed an increase of 460 per cent over those of 1926. In 1920 the students enrolled in the vocational schools were 756. These were a mere handful, compared with the 16,388 students now enrolled in this type of schools.

During the year much stress was given to the manufacture of products which enhanced the beauty and comfort of the homes. In this way the pupil has in a great measure become an active factor in the promotion of the family welfare. Another step forward in vocational education was the organization of the department of agriculture in the College of Agriculture at Los Baños for the training of teachers of agricultural and rural high schools. Of no less importance was the establishment of advanced courses for shop teachers in the Philippine School of Arts and Trades.

While the amount allotted by the vocational act for trade-school courses and courses in home economics was increased from ₱120,000 to ₱140,000, the per capita share was decreased from ₱20 to ₱16.87 for students enrolled in trade-school courses and from ₱10 to ₱8.44 for those taking courses in home economics, resulting from an increase in the number of students enrolled in these courses.

The number of schools of agriculture was reduced from 408 in 1929 to only 328 in 1930. However, the enrollment in these schools increased from 29,308 in 1929 to 29,580 in 1930. The expenditures from provincial and municipal funds increased from ₱178,016.32 in 1929 to ₱253,707.15 in 1930. The cultivated area in 1930 was 3,412 hectares, compared with only 2,910 hectares for 1929. In this connection it is worthy of note that while the value of products from home projects decreased from ₱53,650.74 in 1929 to ₱45,792.31 in 1930, the total value of products of school and home projects increased from ₱431,726.19 in 1929 to ₱439,613.95 in 1930.

It is quite gratifying to see that the value of industrial production increased in 1929-30 by ₱74,820.80 over that for the preceding school year, in spite of the fact that the 1929-30 industrial enrollment was much smaller than the corresponding enrollment for the preceding year. Similarly, notwithstanding the fact that the number of agricultural-club members was less in 1929-30 than that for the preceding school year, the 1929-30 agricultural-club production was higher in value than that for the year preceding by ₱1,076.94.

Progress in health education.—Much was done during the year along the lines of nutrition, sanitation, personal hygiene, and physical education. In these matters the standards of achievements have been set up in the publication "Tentative Guide in Health Education for Elementary Schools." Increased attention was given to the development of good-health habits of pupils. Providing school lunches was given much stress, particularly with regard to their nutritional and educational value; and, with a view of improving the benefit derived from this phase of health work, it was correlated with home economics. As an aid in health instruction, school libraries were equipped

with supplementary health readers. Special emphasis was given to the use of school products as a means of encouraging proper nutrition for pupils. More nurses were employed so that during the year they numbered 57 as compared with only 18 in 1928. The bureau cooperated with the Philippine Health Service through educational work in connection with vaccination, inoculation, and other preventive measures against epidemics. Through the employment of a supervisor of physical education, health work was given more specialized attention, and the program for the islands was studied with a view toward better adaptation of health work in the public schools to the needs of the pupils.

Improvement of instruction.—The preparation, organization, and improvement of materials and methods were given much emphasis with a view of promoting instructional efficiency. Through the organization of a curriculum department in the general office of the bureau, the work on reconstruction of the curricula was given decided impetus, and objectives in a number of the secondary courses were formulated and issued to the field. Improvement in instructional materials, technique of testing, and methods of teaching in arithmetic was secured largely as a result of a thorough study of the course for this subject. In addition, through the appointment of two English supervisors, preliminary studies in English were inaugurated in several Provinces. Some of these studies pertain to the dialect vocabulary of Grade I pupils and the dialect vocabulary of children before they enter Grade I. Studies pertaining to oral and written errors in English are being conducted to determine their root-cause, and methods of correcting and preventing such errors are already being devised as a result.

Educational measurements and research studies.—The functional phase of test construction, administration, and interpretation was given much emphasis during the year. The program included such activities as giving tests, continuing research studies started in the previous year, and conducting new studies. Helping in the improvement of classroom instruction and conditions was another aspect of the program.

During the year the fourth home economics survey was given to 4,277 seventh-grade girls in representative schools in 49 divisions and a test in food and health was given to 1,464 first-year girls in 22 schools in 19 out of 23 divisions which offer the secondary home-economics course. Two tests of mental ability were developed, one for the classification of first-grade beginners, and the other for the classification of first-year secondary students.

The research studies have included a comparative study of the content of various intelligence tests, the relationship of promotion and achievement in the elementary grades, and a study of the oral vocabulary both in English and in the vernacular. Tests in the social studies are being devised.

Training and experience of teachers.—One of the main objectives of the bureau has been the improvement in the educational and professional status of teachers and supervisors, and much was achieved in this direction during the year.

A total of 6,642 teachers were enrolled in the six vacation normal schools operated in 1930, thus providing an increase of 1,959 in the enrollment over that of 1929 and an increase of 2,998 over the enrollment of 1928. More than one-fourth of the elementary teachers in the service enrolled in vacation normal schools in 1930. Moreover, a large number of teachers and supervisors of both elementary and secondary schools attended vacation schools of the College of Education, University of the Philippines, and of private colleges.

In the vacation normal schools, aside from the English courses, the most popular courses in the Philippine School of Arts and Trades have been in shop administration and supervision, general shop, home mechanics, and in method of teaching industrial arts; and, in other schools, psychology, principles of teaching, and such content-method courses as reading, arithmetic, language, and health. In 1930, 1,864 promotions resulted from the semestral secondary English courses, while the promotions in semestral college English courses were 1,464.

To push further the improvement of teaching in the secondary schools there were held in 1930 division demonstrations in the teaching of secondary subjects. Another phase of such improvement work was a study made during 1930 of teacher-placement problems in the secondary schools. As a result of this study pertinent data have been collected, among which the following are presumably

of special interest: The number of secondary insular teachers employed in 1930 exceeded the corresponding figure for 1929 by 7.1. The secondary provincial teachers separated from the service in 1929 were 263 or 22.27 per cent of those employed during that year while those separated in 1930 were less, being only 212 or 16.31 per cent. The replacements of insular and municipal teachers were also less in 1930 than in 1929. It was also revealed in connection with the study that there was a demand in 1929 for 413 new secondary teachers, that the corresponding demand for 1930 was only for 282 new secondary teachers, and that like demand in 1931 and in 1932 is estimated to be only for 230 and 200 new secondary teachers, respectively. Another significant fact brought out by the study is that out of 1,332 secondary teachers employed in 1930, 463 had no special preparation for their teaching assignments. The undesirable placements could be corrected to a considerable extent by replacements of college-of-education graduates into positions for which they are more adequately prepared. Many misplacements could not be corrected completely, however, because these graduates had not selected their majors and minors according to the demands of the service.

The fact that in 1920 the number of teachers who had completed only the seventh and lower grades were 63.64 per cent of all the teachers in the service during that year, and the fact that the corresponding percentages for 1925 and 1930 were, respectively, 24.02 and 7.43 per cent only, obviously shows a steady improvement in the qualifications of teachers.

Teachers of 11 or more years' experience are on the increase, a condition which is explained chiefly by the strong inducement to teachers having already served quite long to remain in the service, in the hope of ultimately securing the benefits of a life or disability pension. The median years of experience of all teachers employed in 1930 exceeded the corresponding median for 1929, thus showing that, on the whole, the education of the children is in the hands of more experienced teachers.

While much remains to be done toward improving the professional status of principals and supervisors in the elementary field and in vocational schools, the principals of secondary academic and normal schools compare favorably in educational and professional training with principals of secondary schools in the United States. The average Filipino secondary academic or normal school principal has a bachelor's degree and has taught 11 years. The average American principal of normal or academic secondary schools in the Philippines has a bachelor's degree and has taught 10 years.

School expenditures.—Owing to both the increased enrollment and the improved educational facilities, the total amount of governmental expenditure for school purposes increased from ₱24,148,485.49 in 1925 to ₱30,588,352.11 in 1929. The 1929 increase over that of 1928 was ₱1,593,386.13 or 5.50 per cent. The per capita expenditure and the expenditure per pupil also increased—the first from ₱2.12 in 1925 to ₱2.53 in 1929, and the latter, from ₱22.02 in 1925 to ₱26.30 in 1929. There has been on the whole a steady increase in the total governmental expenditure for school purposes from 1925 to 1929.

The increased insular expenditures for education in 1930 were due largely to the appropriation under Act No. 3628 of ₱500,000 for the salaries of primary teachers of new barrio schools. The total expenditure from provincial and municipal governments for 1930 is not known. However, since the number of provincial teachers and their average salary had increased during 1930, there is no doubt that there was greater expenditure from provincial funds in 1930 than in 1929. The establishment of 700 new classes in barrio schools as a result of Act No. 3628 has, in all probability, also resulted in greater expenditure from municipal funds in 1930 than the year preceding, inasmuch as the insular aid for these new schools was exclusively provided for the payment of teachers' salaries.

During the school year 1929–30 the amount of voluntary contributions was ₱1,276,622.42, or ₱411,616.76 more than similar collections for 1928–29. These contributions consisted of money, land, labor, and materials, and represented a gain over 1928–29 of nearly 50 per cent. They were used for permanent improvements, athletics, libraries, and other school purposes.

Educational literature.—In an effort to provide teachers and pupils with a greater variety of educational and informative materials, the publication of such periodicals as the Philippine Public Schools and the School News Review and their distribution to the field were continued.

In the preparation of issues of the Philippine Public Schools much attention has been given to elementary and vocational instruction. Academic subjects have received more space and variety of treatment. Special emphasis has been placed upon diagnosis and remedial work in the elementary grades.

The School News Review has been more useful as an instructional aid in the elementary schools through the use of pictorial materials; through better correlation with the course of study; through the consistent presentation of news dealing with industrial and agricultural developments, needs, and opportunities of the islands; and through the inspirational assistance given to the movement for a world friendship among children, the Boys' Week activities, etc.

Sites and buildings.—In most divisions greater interest has been shown in the acquisition of standard school sites. Sites not having the standard size are being enlarged through the acquisition of additional areas.

The insular funds released for building construction during 1930, ₱2,863,500, exceeded the total expenditures from insular funds for building construction in any previous year. Nevertheless, in view of lack of local funds and because of increased demand for additional classrooms, only few permanent buildings were constructed, although increased school facilities were provided through the construction of more buildings of the standard semipermanent type.

Operation of the teachers' pension law.—The following data furnished by the teachers' pension and investment board will give an idea of the operation of the teachers' pension law:

	Year 1929	Year 1930	Increase (+) or decrease (—)
Number of teachers retired.....	101	117	+16
Number of teachers who died without any beneficiary...	4	0	—4
Amount collected to the credit of the teachers' pension and investment fund.....	₱2, 269, 325. 38	₱2, 410, 621. 88	+ ₱141, 296. 50
Number of teachers retired for the period June 1, 1922, to Dec. 31, 1930.....			1 628
Amount collected to the credit of the teachers' pension and investment fund for the period June 1, 1922, to Dec. 31, 1930.....			₱14, 895, 264. 82

¹ The figure reported for 1929 was later corrected, making it 511 instead of 510.

Legislation.—The general appropriation act provided for school purposes the sum of ₱17,719,260, which exceeds the corresponding appropriation for 1929 by approximately ₱300,000. The public works act set aside for the construction of school buildings the amount of ₱2,740,500, which is about half a million pesos more than that for 1929. The other very important piece of financial legislation for the public schools is Act 3628, by which the legislature appropriated the sum of ₱500,000 for the purpose of establishing and maintaining new primary classes in the barrio schools.

The following are other 1930 legislations affecting the bureau of education: Act 3694, creating a provincial-school fund to be built up by transfer from provincial general funds, by the operating income of provincial schools, and by tuitions collected by the provincial board; Act 3768, organizing the teachers' pension and investment board; Act 3769, allowing beneficiaries of life pension from the United States Government the full right to pension under the Philippine teachers' pension law; Act 3773, amending the teachers' pension law by including, in computing the length of service, the leave granted to teacher pensionados attending insular schools or schools in the United States; Act 3778, reviving the board on textbooks and providing for adoption of textbooks not later than December 31, 1931.

Recommendations.—The following are among the recommendations proposed by the bureau of education:

1. Passing an act giving provincial and municipal governments autonomy to impose additional taxes for school purposes.
2. Giving better salaries to better qualified teachers.
3. Yearly increase of ₱500,000 in the appropriation for extension of schools.
4. Increase in travel allowance of supervisory officials.
5. Additional insular positions so that all the principals of elementary schools and all critic teachers in normal schools may be given insular appointment.
6. Preparation of a school census to include all children of school age.

OFFICE OF THE COMMISSIONER OF PRIVATE EDUCATION

General survey.—Among the notable events of the year were the testing campaign conducted by the testing section, the issuance in printed form of the manual of information, the completion of the minimum requirements for colleges of medicine and colleges of education, and the completion of the preliminary rough drafts of the minimum requirements for pharmacy, dentistry, engineering, and business administration. The requirements for liberal arts and optometry will also be prepared. It is the plan to publish in one booklet all of the minimum standards for technical, professional, and collegiate courses, as required by law. It should be said here that the work on the minimum standards for these courses was begun soon after the present commissioner of private education took charge of the private-school system in 1926 and has been carried on simultaneously with the increased supervision over an increasing number of private schools.

Changes in personnel.—Under Act 3290 Mr. Daniel M. Salcedo was sent to the United States to pursue post-graduate studies in tests and measurements. He returned to the islands in May, 1930. In January, 1930, while still in the United States, Mr. Salcedo was designated superintendent of tests and measurements and has been in charge of the testing section since his arrival in Manila. Mr. Virgil M. Knowles was appointed in the United States superintendent of English instruction, vice Mrs. Helen S. Moir, resigned, and came to the islands in June, 1930.

Regulations.—In 1927 a manual of information containing the administrative regulations of the department for private schools was prepared and has since been revised yearly. A constant demand for the printing of this manual could not be met, however, until experience had shown the regulations to be fairly satisfactory.

It might be interesting to note the reasons for the gradual issuance of detailed regulations instead of more general expressions of policy. It was simply assumed at one time that the practice of the public schools was followed in the private schools so that comparatively few regulations were promulgated. But the private schools claimed that they were unable to tell what they were allowed to do, and that Government recognition was being granted and withdrawn on the basis of rather vague policies. A large number of private school directors were not trained school men and had to be helped in administrative matters. Keen competition for larger enrollment among many private schools handicapped attempts at raising the standards over the lowest prevailing in any region. For these reasons the department began to issue more detailed regulations. In view, however, of criticisms voiced by some school directors in 1928, a partial return to the former policy was made necessary in 1929, which was a combination of general and specific requirements and regulations.

The testing section.—Throughout the last five years it was contemplated to create a competent testing section to take care of one of the most important supervisory functions of the office. It was not until 1930 that this plan was realized, and it was only in May of that year that actual work could be started. During the latter part of 1930, the first real private school testing program was initiated, although in 1926, 1927, and 1929 experimental testing campaigns were undertaken. Testing results are valuable as they furnish concrete evidence for determining the efficiency of private schools. While it is believed that the physical factors of instruction have very important bearing upon recognition of private schools, much stress was given to the instructional phase and the creation of the testing section is one result of such endeavor.

Inspection and supervision.—Much attention was given by the field personnel of the office to schools close to their district headquarters owing to their inability to make expensive trips to distant parts of their respective districts. This, in turn, meant a closer checking of such phases of school administration as the work of teachers and the subject loads of students; and, as a consequence, undue acceleration of dull students was steadily prevented. It should be said in this connection that many of the private schools either could not or would not refuse the requests of students to carry unusually heavy loads unless required by the office, and the same situation is true with respect to other phases of private school administration.

Private school finances.—Due to financial difficulty, some of the schools were forced to close entirely and some ceased operating certain departments. Those that continued operating were in many cases forced to curtail their expenditures, a practice generally followed by a lowering of standard: particularly in regard to physical equipment of these schools.

Teaching situation.—For many years the office issued certificates of eligibility to unqualified teachers because the supply of qualified teachers was insufficient. At the close of the present school year this situation will be reversed. For the first time in the history of modern education in the Philippine Islands there will be more bachelor of science in education graduates available than there are jobs open. Presumably at least 500 of these graduates will be unable to be employed at the opening of the 1931-32 school year. The situation will naturally become cumulatively worse until the enrollment in existing colleges of education in the islands is cut down. As it is, it may become necessary for the department itself to consider the advisability of giving departmental examinations to all candidates for admission to private senior colleges of education, or, as an alternative, to recommend legislation requiring state certification of teachers in all recognized private schools. This latter proposition would be in keeping with the prevailing practice in a large number of progressive countries, and the Philippines will be forced to such action eventually.

Need for private schools.—The operation of responsible and fairly efficient private schools under government supervision is a necessity, especially because the government is unable to provide instruction to all children of school age in this country. The recognized private schools now take care of high school students numbering approximately one-half of those in the public high schools and many thousands of elementary pupils. If the government had to look after the education of these children it would have to incur a yearly expenditure of six or seven million pesos, based upon the estimate of the cost of education as given in the Monroe survey report. This estimate does not include any provision for buildings or equipment. It is evident therefore that the government can extend its educational system particularly along secondary lines through the medium of recognized private schools, with no burden to itself except the meagre cost of supervision.

Departmental supervision.—The present system of departmental supervision was authorized as early as 1917, but its actual operation was started only in 1926 when legislative appropriations were first provided to carry it into effect. During the past five years, the supervision of approved private schools has been as thorough and efficient as was possible with the limited funds available, and the results of instruction in such schools were, on the average, approximately as good as those for the public schools. The recent rapid improvement of the private schools has been brought about by a constant, intensive supervision from the office of the commissioner of private education, and any relaxing of supervisory efforts or supervisory powers of the department would undoubtedly lead back to such unsatisfactory conditions as prevailed before. Emphasis should be laid on the necessity of the government and of the public not only to maintain the efficiency so far attained by the recognized private schools, but also to have the standard keep pace with the rapid development of the system.

Comments on statistical tables.—Table 1 needs no comment. Table 2 shows that the number of approved schools increased in 1930 by 2 schools only, but the increase in the number of courses was 47, or 7 per cent, and, as usual, the largest increase occurred in the secondary field. Table 3 shows that the enrollment in the approved schools increased by 5,026. The largest total increase was in the secondary schools—2,215 students—and the largest percentage of increase was in the technical courses—16 per cent. Table 4 shows that there was a decided decrease in the number of schools visited two or more times and an increase in the schools visited once only and that 21 schools were not visited at all. Table 5 shows that a smaller number of permits was granted in 1930 than in 1929, presumably because fewer schools were started due to the financial depression and that fewer were approved because of more rigid inspection and supervision. Table 6 needs no comment. Table 7 shows an increase of a little over 36,000 volumes in the private school libraries. Many schools have fairly adequate libraries, but others are still below satisfactory standards. Altogether there is an average of three books per pupil. The number of subscriptions to periodicals has decreased possibly as a result of decreased supervision. Table 8 shows that the number of fully qualified instructors increased by 6 per cent; those holding certificates of eligibility decreased 21 per cent. Fifty-six per cent represents the decrease in the unqualified instructors. The number of part-time instructors decreased by 12 per cent. On the other hand, the number of full-time instructors increased by 3 per cent. It is interesting to note that, in addition to the foregoing improvement in the qualifications of teachers in private schools, there is an increase

of 12 per cent in the number of experienced teachers. As shown in Table 9, only three cancellations of government authority for cause were made; the rest of the cancellations were for voluntary ceasing of operation of the schools.

Recommendations.—Among the recommendations made by the commissioner are the following:

1. There be added to the testing section a position at ₱2,400 and another at ₱2,000.
2. There be provided two additional clerical positions, one for the testing section and another for the district of Northwestern Luzon.
3. Steps be taken toward placing the public academic high schools on a self-supporting basis or operating them as private enterprises.
4. There be a change in emphasis from the training of secondary teachers to the training of elementary teachers.

PHILIPPINE HEALTH SERVICE

General survey.—During 1930 smallpox, cholera, and measles prevailed in epidemic proportions. There was a high mortality from beriberi, dysentery, and influenza. The presence of these diseases manifestly caused the death rate in the islands to rise from 21.17 in 1929 to 23.08 in 1930.

Approximate estimates give marriage rates per 1,000 population as higher in 1930 than in 1929 in the entire archipelago. It is also estimated that in the city of Manila birth rate rose during the same period, but for the archipelago the reverse was shown.

While infant mortality in the archipelago per 1,000 births increased from 161.63 in 1929 to 168.12 (estimated) in 1930, the corresponding rate of mortality for the city of Manila decreased during the same period from 171.57 to 160.24, a condition which was, in all probability, due largely to an increase in the city of relatively better facilities for the proper preservation and protection of infant life and health.

The medical personnel increased from 481 in 1929 to 522 in 1930. The non-medical personnel also increased from 2,389 in 1929 to 2,483 in 1930.

As a result of the division of the Province of Misamis into two Provinces one additional health district was organized in 1930, thereby increasing the number of health districts from 48 to 49. The other positions created during 1930 include 11 new sanitary divisions.

Fifty-seven registered physicians took the training for the position of president of sanitary division, of whom 52 passed the required examination. Sixteen health officers were taking post-graduate courses in the school of hygiene and public health of the University of the Philippines. These were 1 district inspector, 13 district health officers, 1 assistant district health officer, and 1 president of sanitary division.

Due mostly to the interest and enthusiasm of the people and of government officials for the establishment of provincial hospitals, the completion of several of them was expedited. During 1930 there were opened 4 of such hospitals, to wit, those for the Provinces of Sorsogon, Capiz, Antique, and Nueva Ecija. These were constructed and are being operated by funds created in accordance with Act No. 3114 as amended by Acts Nos. 3168, 3284, and 3361. There are now 44 provincial hospitals in operation. The Pampanga Provincial Hospital was also completed and has been in operation since January, 1931. Bulacan and Isabela will also have their provincial hospitals soon completed.

Besides the leprosy department of Culion Leper Colony, the two regional leprosy treatment stations at Cebu and Iloilo and that of San Lazero Hospital, there is a regional treatment station at Legaspi which was opened during the year. A similar station is now under construction in Zamboanga.

During 1930 five meetings were held by the council of hygiene, in which various important matters in connection with hygiene and public health in the islands were taken up. Including one vacancy remaining unfilled since 1929, there are in all four vacancies in the council. The term of office of three other members having expired on June 30, 1930.

Inspection.—During 1930 the Philippine Health Service continued the campaign which was launched in 1929 with a view to improving general sanitation, housing conditions, disposal of waste, water supply, and food and food products.

Industrial establishments were visited to determine how improvement in the condition of laborers might be made, and common accidents prevented as far as possible. More of such establishments as tobacco, butter, rope, gas, cement, and sugar factories were inspected in 1930 than in 1929. Most of them were

found in good sanitary condition. Those that were found unreasonably insanitary were either improved, transferred, or closed.

As in the past, the year's inspectorial activities of the Philippine Health Service also included physical examination of school children and the correction of defects detected as a result of such examinations. Private citizens and employees of the government were also given physical examinations and existing physical defects in them treated.

Cholera.—In March, 1930, the disease appeared in Surigao. The outbreak was controlled, but in the following May the disease occurred in Cebu, where it began to spread to other Provinces infected in the following order: Occidental Negros, Leyte, Iloilo, Masbate, Oriental Negros, Surigao, Antique, Bohol, and Samar. In Manila cholera made its appearance in May. In all, the number of cases was a little more than 5,000 with a mortality of about 60 per cent. Children under 15 years old were about one half of the victims. Among the important measures enforced, in addition to such ordinary routine control as supervision of food and drinking water, isolation, and disinfection, was the establishment of emergency hospitals for the treatment of patients, thus favoring indirectly the isolation of the same and the intensification of anticholera vaccination.

Leprosy.—Special attention was given to the control of leprosy, which consisted mostly of detecting and isolating cases, taking proper care of non-leprous children born of leper parents, and following up paroled and discharged negatives. The methods of detection and isolation were made more effective by increasing the number of skin-disease clinics, regional treatment stations, and detection camps. During the year, 1,201 lepers were detected and segregated, 520 lepers rendered negative and released under parole, 542 non-leprous children separated from their parents, and 72,067 treatments given to 25,430 people. At the end of the year 6,849 lepers were under segregation, 549 of whom were about to be paroled. A little over 200 incipient cases of leprosy were detected in the skin dispensaries during the year.

There is no doubt that the present number of skin dispensaries is still much short of the pressing public demand. If more skin clinics are provided, at least one for each Province, more incipient cases could be detected and treated without the necessity of isolating them. Obviously, the extra expenses incurred in the maintenance and operation of more skin clinics would be more than offset, in the course of a few years, by the reduction of expenses for the care and treatment of lepers.

Beriberi.—While beriberi decreased in Manila, it increased in the Provinces, which undoubtedly contributed to the increased rate in general mortality for the islands. It was noted that new born babies and school children were particularly affected with acute manifestations of the disease. The chief causes are commonly traced to eating of rice milled in rice hullers, overcrowding and economic depression.

Tuberculosis kept on its persistent tendency, in spite of all the efforts to check the disease. Complex uncontrollable factors helping what is already found common in the people's ways and habits to favor the disease makes tuberculosis a problem, at least for the time being, most difficult of solution. The Philippine Legislature, by Act No. 3743, created a "Tuberculosis Commission" and appropriated the amount of ₱200,000 for the study, prevention, and control of this eminently social and economic problem.

Smallpox.—The epidemic of smallpox which broke out during the latter part of 1929 in the islands of Sarangani, Davao, continued until the latter part of February, 1930, when the last cases occurred. During this epidemic, there were a total of 551 cases and 104 deaths out of which 184 cases and 45 deaths pertain to the year 1930. As usual, isolation and intensification of antismallpox vaccination were adopted to control the disease.

Dysentery.—The incidence and mortality from dysentery increased. The Provinces most affected were Pangasinan, Cebu, Iloilo, Ilocos Norte, La Union, Mindoro, Mountain Province, Nueva Ecija, and Sulu. The precarious situation was to a great extent controlled through the increase of antidysentery vaccination and the improvement of sanitation.

Other diseases.—There was a general reduction in the number of cases of enteric fever, but the malaria situation showed no material change. The incidence from varicella, whooping cough and cerebrospinal meningitis increased. The situation in regard to influenza, measles and diphtheria was even worse as there was considerably high mortality from these diseases. In general all the diseases which appeared during the year, including tropical

ulcers, trachoma, scabies, yaws, and hookworm, were partly placed under control through the application of such necessary measures as were required under the conditions.

Hospitals.—The opening of four new hospitals during the year greatly extended the hospital service rendered by the Philippine Health Service, which will be further extended by the completion of several other projects now under construction. The Philippine Legislature included in the general appropriation act a yearly amount for the construction, maintenance and operation of provincial hospitals and their dependencies. The amount for 1930 was ₱200,000. Such a financial aid is an assurance of a steady hospital service.

Insane asylums.—At the beginning of the year, there were four asylums in which the insane were confined, namely; the Insular Psychopathic Hospital, the San Lazaro Hospital, the City Sanatorium, and the Bilibid Prison Insane Ward. On September 1, 1930, these asylums were reduced to three, since all the remaining male insane confined in San Lazaro Hospital were transferred to the Insular Psychopathic Hospital, when the male chronic ward was completed. The number of insane increased from 1,765 to 1,821 within the year.

Dispensaries.—The dispensaries proved so indispensable as well as necessary for health preservation and betterment in the localities that not only the municipal but also the provincial authorities tried their best to appropriate funds for the construction of new ones. Where governmental appropriation could not be provided, in certain cases, the people gratuitously offered their help and services in the construction of proposed dispensaries. Several new dispensaries in various municipalities were built and opened, and certain old ones repaired. When the condition of dispensaries was so poor that their repairs would entail unreasonable expense, they were abandoned, and new ones built instead. Some of those that were closed in previous years were reopened during the year.

Prophylactic inoculations.—As in the past, one of the routine but effective measures for the control of smallpox, typhoid fever, cholera and dysentery, was the vaccination of the population with vaccine prepared by the bureau of science. However, due to lack of personnel to perform the work, not many of the provinces were covered, and in consequence the result obtained was not as satisfactory as might have been expected had a much larger portion of the population been immunized. During the year, there was a total of 2,669,609 smallpox vaccinations; 2,197,972 injections with mixed typhoid and cholera vaccine; 3,012,380 injections with mixed cholera and dysentery; about 5,500,000 injections with pure cholera vaccine; about 2,000,000 injections with pure dysentery vaccine; 160,000 injections with pure typhoid. The use of antidyentery vaccine by oral administration was also given a trial and, in general, proved efficacious. The sum of ₱150,000 for anticholera vaccination throughout the islands was appropriated through act 3676.

Appropriations.—The total insular appropriation for 1929, ₱4,047,296, increased in 1930 to ₱4,327,060, ₱4,284,178.09 of which was spent during the year. The per capita expense also rose from 1929, when it was only ₱0.33, to ₱0.35 in 1930. The estimated total allotment for public sanitation in rural communities was ₱1,828,360.67, which was made up of the insular aid to specially organized Provinces and the contributions received from the regularly organized Provinces.

Pension and retirement funds in 1929 amounted to ₱137,592.54. This increased in 1930 to ₱160,262.27, ₱147,736 of which was in the Philippines National Bank and the rest was reserved in the insular treasury for the payment of pensions. On account of an increase in the number of pensioners the monthly average payment to pensioners during 1930 was ₱4,599.74 as against ₱3,936.69 during 1929.

BUREAU OF QUARANTINE SERVICE

Functions.—As heretofore, the chief activities of the bureau had to do with incoming, outgoing, and interisland quarantine, medical examination of arriving aliens, physical examination of applicants for marine licenses, and maintenance and operation of quarantine stations and of floating equipment required by the service.

Incoming quarantine included a detailed inspection of all vessels arriving at their first port of entry in the Islands. As weekly radio reports furnished quite up-to-date information regarding the health conditions of various ports throughout the Orient the greatest possible protection for the Islands from infection was secured with the least possible delay in shipping caused by the interruption.

Interisland quarantine.—Cholera made its appearance in the Visayan Islands in May, 1930. The disease gradually spread to the islands of Cebu and Negros. It reached such proportions in Cebu, Iloilo, and Manila that interisland quarantine was put into effect against these ports. During the quarantine period 398 interisland vessels, 12,785 passengers, and 12,529 crew members were inspected, and 36,785 persons were vaccinated by officers of the quarantine service.

All vessels in the interisland trade were fumigated once every six months in order to prevent the transfer of plague from one Philippine port to another in case that infected rats gained access into the Islands. During the year as many as 372 ships were fumigated and disposed of. The necessity for such preventive measures as herewith mentioned was specially pressing because reports had it that the ports of Java, the Celebes, Indo-China, Malaya, Siam, and India were infected with the disease.

Outgoing quarantine.—Prior to sailing from all Philippine ports of entry of all ships not engaged in coastwise traffic, bills of health were issued to them at these ports partly as a means of raising revenue so far as the Philippines were concerned, and in conformity with requirements of the sanitary convention.

Inspection of aliens.—Arriving aliens on board incoming ships were, as heretofore, given medical examination, and those found suffering from any disease were held for further examination. Those examined numbered 27,391, out of whom 357 were given intensive secondary examinations. One hundred and seventy-two of those who underwent a second examination were, in conformity with the immigration act, certified to the immigration authorities.

Examination for marine licenses was given during 1930 to 376 applicants for the positions of deck officers and engineers of vessels of Philippine registry. Out of those examined 14 were certified as unfit physically for license.

Quarantine stations and floating equipment.—The two quarantine and disinfection stations maintained by the bureau were kept in good repairs during the year at no great expense of public funds, as the personnel of those stations did most of the work. The launches were kept in commission almost throughout the year, but constant repair was required to keep them in running condition.

Administration and supervision.—The bureau has its central office at the customhouse. A commissioned officer of the United States Public Health Service serves in the capacity of chief quarantine officer of the Philippine Islands. As such he supervises quarantine work in Manila, where five officers are on duty. Quarantine activities at the ports of Cebu, Iloilo, Zamboanga, Legaspi, Davao, and Jolo, which are each under the charge of one quarantine officer, are also under his supervision.

General aspect.—The work of the bureau in 1930 was conducted along the same general lines as during the previous year. It should be mentioned, in passing, that due to the presence of cholera during a part of the year in the ports of entry, Manila, Iloilo, and Cebu, interisland quarantine was put into effect.

The maritime quarantinable diseases are cholera, smallpox, plague, yellow fever, typhus, anthrax, leprosy, meningitis, and psittacosis. The first three of these diseases were present to some extent in many ports of countries in the Orient, thereby making the quarantine activity of the bureau one of extreme necessity.

The reason for the rather recurring outbreaks of cholera epidemic in the country is not definitely known, although it may have some relation to the increase in the percentage of cholera carriers among the inhabitants, possibly due to decrease in the growth of natural phage. Stool examinations of outgoing steerage passengers showed a gradual increase in the percentage of cholera carriers from 0.8 per cent in February to 5 per cent in September of the year. Ordinarily the percentage of cholera carriers among outgoing steerage passengers varies from 0.1 to 0.8 per cent. Such germ carriers include the so-called nonagglutinable vibrios and the agglutinable types.

During 1930, smallpox was present to some extent in all the ports of China, in Java and India. Hence the bureau made serious efforts to prevent the disease from gaining access into the islands. Arriving passengers from Hong Kong were especially placed under strict surveillance since the disease was rampant there during the last half of 1929. In view, however, of the decrease of smallpox in this port the ban was rescinded on June 11, 1930.

By executive order the regulations concerning meningitis, put into effect during 1929, were continued during the first part of 1930. This order limited the embarkation of passengers from China for the Philippine Islands to three ports—Hong Kong, Shanghai, and Amoy. Such passengers were, imme-

diately prior to their embarkation, detained for 14 days and given an examination to determine the presence or absence of meningitis. This executive order also applied to passengers leaving the islands for the United States, although on August 1, 1930, the period of detention was reduced to five days and on October 6, 1930, it was further reduced to four days.

Notwithstanding the fact that the United States quarantine laws and regulations applicable to the islands were very strict and were liable to result in considerable interference to shipping, the bureau was able to insure the greatest possible protection for the islands without causing considerable inconvenience to the movement of ships.

Appropriation.—The appropriation act for 1930 provided the bureau with ₱165,164, an amount which was practically the same as the appropriations for the last several years. In addition, there was an allotment made by the bureau of public works for building repairs and maintenance at the quarantine stations. About ₱6,000, of this allotment was spent for routine repairs.

Expenditures.—The year's expenses amounted to ₱145,739.73. In the event of a severe epidemic the usual amount of appropriation for the bureau will be inadequate for purposes of quarantine work. It was largely through system and efficiency in quarantine work in connection with the 1930 cholera epidemic that a deficit was avoided.

New quarantine laws.—By an act of the Eighth Philippine Legislature it has become unlawful to introduce into the islands virus of yellow fever or any substance which might be considered infected with causative agent of yellow fever. This enactment is especially to be desired inasmuch as the presence of mosquito *Aedes aegypti*, which acts as medium for the transmission of the disease, is present in large numbers in the islands, so that a dangerous epidemic of yellow fever might develop should the disease gain access into the islands.

Very respectfully,

ALEJANDRO ALBERT,
Under Secretary of Public Instruction.

BUREAU OF EDUCATION—STATISTICAL TABLES

TABLE 1.—Total annual public-school enrollment and the percentage of school population enrolled in public schools

Year	Annual enrollment in public schools (September)	Total population ¹	Percentage of total population enrolled in public schools ²	School population ³	Percentage of school population enrolled in public schools ²	Annual enrollment in private schools (July)
1926.....	1,061,525	11,575,176	9.17	3,046,099	34.85	488,001
1927.....	1,099,306	11,744,172	9.36	3,090,572	35.57	86,695
1928.....	1,111,509	11,913,167	9.33	3,135,044	35.45	84,695
1929.....	⁵ 1,161,367	12,082,366	9.61	3,179,570	36.53	93,618
1930.....	⁶ 1,212,946	12,251,594	9.90	3,224,104	37.62	102,413

¹ Total population figures from Philippine Health Service.

² The percentages for previous years, as given in previous annual reports of this bureau, have been revised on the basis of the population data supplied by the Philippine Health Service.

³ The school population is estimated by dividing the total population by 3.8, which is the ratio of the total population 6-17 years of age to the total population of the islands as reported by the 1918 census.

⁴ December.

⁵ The enrollment for Davao, Palawan, and Surigao is for July, 1929.

⁶ The enrollment for Davao is for July, 1930.

TABLE 2.—Summary showing for the islands the percentage of attendance for the last five school years

School year	Primary	Intermediate	Secondary	Total
1925-26.....	94.59	95.37	96.43	94.81
1926-27.....	95.24	96.02	96.72	95.43
1927-28.....	95.85	96.39	97.13	96.02
1928-29.....	96.20	96.32	96.97	96.27
1929-30.....	96.39	96.64	96.83	96.46

TABLE 3.—*Percentage of enrollment for primary and intermediate grades and secondary years, based on the total enrollment for the month of September for each year*

Year	Primary	Intermediate	Secondary	Total
1926.....	77.23	17.18	5.59	100.00
1927.....	76.27	17.92	5.81	100.00
1928.....	75.32	18.34	6.34	100.00
1929.....	76.12	17.31	6.57	100.00
1930.....	¹ 76.91	16.50	6.59	100.00

¹ Figures included for Davao are as of July, 1930.

TABLE 4.—*Summary showing for the islands for the last five years the percentage of enrollment of secondary students by courses, based on the enrollment for the month of September of each year*

Year	General	Normal	Commercial	Trade	Farming	Nautical	Home economics
1926.....	73.96	11.93	1.07	3.43	4.51	0.06	5.04
1927.....	74.70	11.25	.92	4.08	4.01	.07	4.97
1928.....	72.40	10.32	.80	5.74	4.92	.09	5.73
1929.....	¹ 70.36	9.76	.80	7.02	5.44	.11	6.51
1930.....	² 69.84	8.71	.73	8.22	4.94	.14	7.42

¹ Data for Davao, Palawan, and Surigao are for July, 1929.

² Data for Davao are for July, 1930.

TABLE 5.—*Summary, based on the annual enrollment and the March enrollment of each school year, showing the percentage of pupils dropped during the last five years*

School year	Percentage dropped			
	Primary	Intermediate	Secondary	Total
1925-26.....	15.69	16.16	12.73	15.62
1926-27.....	13.51	12.32	10.49	13.13
1927-28 ¹	12.71	12.14	8.93	12.39
1928-29 ²	12.01	12.80	8.89	11.96
1929-30 ³	11.04	11.93	8.28	11.02

¹ The median percentage of withdrawals for the islands was 14.32.

² The median percentage of withdrawals for the islands was 14.30.

³ The median percentage of withdrawals for the islands was 13.90.

TABLE 6.—*Promotions of elementary pupils*

School year	Number of pupils promoted	March enrollment	Percentage of pupils promoted
1923-24.....	663,849	914,967	73
1924-25.....	686,400	908,579	76
1925-26.....	723,932	887,637	82
1926-27.....	722,617	878,430	82
1927-28.....	760,678	915,201	83
1928-29.....	780,298	922,309	85
1929-30.....	841,505	974,865	86

TABLE 7.—*Promotions of secondary students*

School year	Students promoted	March enrollment	Percentage promoted based on March enrollment
1924-25.....	33,490	45,009	74
1925-26.....	39,655	48,133	82
1926-27.....	43,737	52,998	83
1927-28.....	49,219	58,503	84
1928-29.....	55,476	64,834	86
1929-30.....	60,150	70,778	85

TABLE 8.—*Summary showing for the last five school years the percentage of primary, intermediate, and secondary promotions, based on the monthly enrollment for March of each year.*

School year	Percentage promoted			
	Primary	Intermediate	Secondary	Total
1925-26.....	79.63	90.81	82.39	81.61
1926-27 ¹	78.63	88.73	82.40	80.60
1927-28 ¹	79.42	89.70	83.87	81.55
1928-29 ¹	80.79	89.88	84.07	82.67
1929-30 ¹	83.04	90.29	85.09	84.42

¹ Based on the corrected enrollment.

The number of secondary schools was reduced from 129 in September, 1929, to 126 in September, 1930, by the consolidation of six schools to form three. However, the educational opportunities for secondary students were broadened by the increase in the number of schools offering complete secondary curricula. The following table shows for the month of September the number of secondary schools offering the various curricula:

TABLE 9.—*Secondary schools classified by curricula¹ (September)*

	Number			
	1927	1928	1929 ²	1930
SECONDARY SCHOOLS OFFERING				
Complete 4-year curricula.....	74	83	92	99
Three years' work.....	14	15	12	15
Two years' work.....	14	10	21	8
One year's work.....	10	18	4	4
General curriculum only.....	44	43	43	43
Agricultural curriculum only.....	17	25	15	12
Trade curriculum only.....	19	23	25	25
Normal curriculum only.....	8	7	6	5
Nautical curriculum only.....	1	1	1	1
Commercial curriculum only.....	1	1	1	1
Home-economics curriculum only.....	1	1	1	1
General and normal curricula.....	4	5	6	6
General and home-economics curricula.....	6	7	8	8
Home-economics and trade curricula.....	1	2	2	3
Home-economics and agricultural curricula.....	5	6	16	17
Home-economics and normal curricula.....	1	1	1	1
Normal, home economics, and trade curricula.....	1	1	1	---
General, normal, and home-economics curricula.....	3	3	3	3
General, normal, home-economics, and commercial curricula.....	1	---	---	---

¹ Philippine Normal School not included.² Data for the divisions of Davao, Palawan, and Surigao are for July, 1929.

The following tables show the enrollment in vocational schools for the years 1927 and 1930 and provide a summary for schools of agriculture as well as pertinent data with regard to agricultural clubs and industrial production for 1929-30:

TABLE 10.—*Secondary vocational enrollment*

	1927	1930
Agriculture.....	2,499	4,046
Trade.....	2,544	6,738
Home economics.....	3,095	5,604
Total.....	8,138	16,388

TABLE 11.—*Summary of schools of agriculture, 1929-30*

	Agricultural schools	Rural high schools	Farm school ¹	Settlement farm schools ²	Grand total
Number of schools.....	15	16	2	295	328
Total annual enrollment.....	4,204	3,278	401	26,697	29,580
Total provincial and municipal funds expended.....	P152,304.35	P89,991.53	P3,420.00	P7,991.27	P253,707.15
Area of site in hectares:					
Cultivated.....	1,742	402	27	1,241	3,412
Uncultivated.....	6,441	505	53	3,599	10,598
Total.....	8,183	907	80	4,840	14,010
Number of animals:					
Carabaos.....	652	200	12	257	1,121
Horses.....	47	6	-----	6	59
Work cattle.....	169	26	-----	68	263
Other cattle.....	361	21	-----	200	582
Hogs.....	528	161	11	315	1,015
Poultry.....	3,521	2,863	100	6,517	13,001
Value of school products:					
Animals.....	P40,385.36	P9,457.79	P964.40	P10,948.37	P61,735.92
Vegetables.....	16,042.44	12,476.82	2,086.23	14,719.70	45,325.19
Field crops.....	147,475.37	18,833.77	647.00	63,871.11	230,930.25
Fruits.....	5,487.71	5,488.84	892.22	16,371.53	28,240.30
Other products.....	16,631.69	7,782.41	39.00	3,116.88	27,569.98
Total.....	226,025.57	54,039.63	4,628.85	109,127.59	393,821.64
Value of products from home projects.....	7,662.59	33,368.29	1,732.45	3,028.98	45,792.31
Total value of products of schools and home projects.....	233,688.16	87,407.92	6,361.30	112,156.57	439,613.95

¹ Intermediate enrollment only.² Elementary enrollment.TABLE 12.—*Agricultural clubs, 1929-30*

	Number of club members with projects	Value of production from projects of club members	Number of animals
Garden—Vegetables.....	6,333	28,089.34	-----
Hogs.....	2,350	51,072.58	10,697
Poultry.....	15,645	181,103.72	261,360
Fruits.....	1,871	11,579.14	-----
Corn—Field crops.....	275	4,014.72	-----
Cooking.....	3,234	5,784.52	-----
Total.....	29,708	282,644.02	272,057

TABLE 13.—*Industrial production, 1929-30*

	Number of pupils	Total value of production
Embroidery and lace making.....	99,813	\$199,329.63
Basketry.....	97,441	133,264.40
Municipal shops.....	24,834	177,623.98
Trade schools.....	5,987	305,690.72
Provincial shops.....	290	11,440.78
Miscellaneous.....	238,283	598,649.72
Total.....	466,648	1,426,004.23

The following tables show the number of students and teachers receiving instruction in health work in vacation, normal, and secondary schools, in provincial normal institutes, and also the comparative number of nurses for 1929 and 1930:

TABLE 14.—*Students and teachers taking health education 1930*

Schools	Students and teachers
Vacation schools.....	453
Normal schools.....	1,063
Secondary schools with normal course.....	362
Philippine Normal School.....	627
Total.....	2,505

TABLE 15.—*Normal institutes offering health education*

One-week course or less.....	19
Two-week course.....	24
Three-week course.....	14
Total.....	57

TABLE 16.—*Number of nurses employed by the bureau of education*

	1928	1930
Supervising teacher of hygiene and sanitation.....	13	11
Provincial nurse.....		2
Municipal school nurse.....	5	39
Agricultural school nurse.....		5
Total.....	18	57

Through the employment of a supervisor of physical education in 1930 this phase of the health work is receiving more specialized attention and the program is being studied for adaptation to actual needs.

The increase in library facilities in 1930 over 1929 is indicated in the following table:

TABLE 17.—*Increase in library facilities in 1930 over 1929*

	Number of schools		Number of libraries		Number of volumes	
	1929	1930	1929	1930	1929	1930
Primary.....	6,174	6,386	3,430	3,587	498,434	558,527
Intermediate.....	1,308	1,303	1,148	1,166	695,527	814,463
Secondary.....	130	127	119	122	408,585	461,158
Total.....	7,612	7,816	4,697	4,875	1,602,546	1,834,138

The following tables indicate the present professional-training status of Filipino teachers and the monthly salaries of such teachers:

TABLE 18.—*Educational qualifications of Filipino teachers (August)*

Course completed	Number of teachers completing various courses					
	Elementary teachers		Secondary teachers		Superior, elementary, and secondary principals	
	1925	1930	1925	1930	1925	1930
Grade 7 or less.....	5,794	2,003	21	12	245	76
One to three years of a secondary course.....	10,861	5,735	49	49	458	288
Secondary curricula (all types).....	5,095	14,406	91	148	523	656
One to three years college (includes Philippine Normal School).....	770	2,402	336	237	327	713
Four years college or better.....	96	116	447	1,165	112	127
All others.....						
Total.....	22,616	24,662	944	1,611	1,665	1,860

Course completed	Number of teachers completing various courses					
	Total			Percentage		
	1920	1925	1930	1920	1925	1930
Grade 7 or less.....	10,967	6,060	2,091	63.64	24.02	7.43
One to three years of a secondary course.....	4,277	11,371	6,072	24.82	45.08	21.58
Secondary curricula (all types).....	956	5,706	15,210	5.55	22.62	54.07
One to three years college (includes Philippine Normal School).....	827	1,433	3,352	4.80	5.68	11.91
Four years college or better.....	28	655	1,408	.16	2.60	5.01
All others.....	179			1.03		
Total.....	17,234	25,225	28,133	100.00	100.00	100.00

TABLE 19.—*Teaching experience of Filipino classroom teachers (including principals) on August 1, 1930*

Experience in years	Elementary	Secondary	Total	Percentage
Less than 1 year.....	3,633	174	3,807	14.49
1 year.....	3,485	224	3,709	14.12
2 years.....	2,908	233	3,143	11.96
3 years.....	2,555	193	2,748	10.46
4 years.....	1,832	158	1,990	7.57
5 years.....	1,522	96	1,618	6.16
6 years.....	1,304	90	1,394	5.31
7 years.....	1,069	74	1,143	4.35
8 years.....	920	62	982	3.74
9 years.....	912	61	973	3.70
10 years.....	809	53	862	3.28
11 to 14 years.....	2,056	105	2,161	8.23
Over 14 years.....	1,658	85	1,743	6.63
Total.....	24,663	1,610	26,273	100.00
Median in years.....	3.90	3.89	3.90	

TABLE 20.—*Professional training of Filipino teachers*

	1920	1925	1927	1928	1929	1930	Percentage of teachers of each of the different types of training	
							1929	1930
Total number of Filipino teachers in the service.....	17, 234	25, 225	25, 266	25, 871	27, 132	28, 133	-----	-----
Number who were college of education graduates.....	10	310	428	609	922	1, 069	3. 39	3. 76
Number who were normal graduates.....	720	1, 838	-----	-----	-----	-----	-----	-----
(a) Philippine Normal School graduates on college level.....	-----	-----	1, 565	1, 969	2, 141	2, 537	7. 89	9. 20
(b) Philippine Normal School graduates of 1918-19 and previous years.....	-----	-----	2, 073	465	461	376	1. 70	1. 34
(c) Provincial normal graduates.....	-----	-----	-----	2, 378	3, 257	4, 007	12. 00	14. 24
Total number who were college or normal graduates.....	730	2, 148	3, 589	4, 812	5, 859	7, 989	-----	-----
Per cent who were college or normal graduates.....	4. 24	8. 52	15. 90	20. 95	24. 95	28. 34	29. 95	28. 34

TABLE 21.—*Professional training of teachers in all secondary schools, 1929 and 1930*

	1929	1930	Increase (+) or decrease (—)
Total number of secondary teachers.....	1, 485	1, 611	+126
Graduates in education.....	804	914	+110
Graduates in liberal arts.....	44	63	+19
Percentage of secondary teachers who were graduates in education or liberal arts.....	57. 10	60. 65	+3. 55

TABLE 22.—*Monthly salaries of Filipino teachers, 1929-30*

Classes of teachers ¹	Lowest	Highest	Average
Municipal elementary teachers.....	P30. 00	P140. 00	P50. 84
Municipal secondary teachers.....	67. 00	150. 00	106. 01
Municipal elementary principals.....	40. 00	250. 00	81. 52
Provincial elementary teachers.....	20. 00	160. 00	81. 60
Provincial secondary teachers.....	50. 00	166. 67	119. 69
Provincial elementary principals.....	20. 00	125. 00	84. 82
Provincial secondary principals.....	110. 00	175. 00	135. 00
Insular elementary teachers.....	80. 00	200. 00	108. 86
Insular secondary teachers.....	45. 00	300. 00	137. 06
Insular elementary principals.....	70. 00	200. 00	104. 02
Insular secondary principals.....	80. 00	333. 33	181. 97
Supervising teachers (insular).....	90. 00	216. 67	132. 70

¹ Data for insular teachers for Cavite not included in the above table.

NOTE.—Four inmates of the San Lazaro Hospital employed as insular teachers at a salary of P25 a month each are not included in this table.

The following tables show the enrollment and promotions in vacation normal schools:

TABLE 23.—*Enrollment and promotion in vacation normal schools in 1928, 1929, and 1930*

Number of teacher students enrolled at the end of the term:	Enrollment by courses at the end of the term:		Promotions by semestral courses:	
	1928.....		1928.....	
	1929.....		1929.....	
	1930.....		1930.....	
1928.....	3, 644	7, 149	6, 439	
1929.....	4, 683	9, 764	9, 083	
1930.....	6, 642	13, 841	12, 323	

TABLE 24.—*Distribution of enrollment in vacation normal schools in 1928, 1929, and 1930*

School	Number of teachers enrolled		
	1928	1929	1930
Philippine Normal Vacation School.....	1, 134	1, 678	2, 551
Philippine School of Arts and Trades.....		228	206
Baguio Vacation Normal School.....	970	861	883
Cebu Vacation Normal School.....	1, 145	1, 334	1, 539
Zamboanga Vacation Normal School.....	395	582	523
Iloilo Vacation Normal School.....			940
Total.....	3, 644	4, 683	6, 642

The following tables show (1) the enrollment in normal schools and in the normal curricula of other secondary schools and (2) replacement in Filipino teacher corps:

TABLE 25.—*Enrollment in normal schools and in the normal curriculum in other secondary schools, 1929 and 1930*

	Monthly enrollment by years (June enrollment)							
	First year		Second year		Third year		Fourth year	
	1929	1930	1929	1930	1929	1930	1929	1930
Grand total.....	1, 770	1, 374	1, 474	1, 347	1, 407	1, 339	1, 400	1, 449

	Monthly enrollment by years (June enrollment)						Increase (+) or de- crease (—)
	Fifth year		Sixth year		Total		
	1929	1930	1929	1930	1929	1930	
Grand total.....	880	862	690	867	7, 621	7, 238	—383

TABLE 26.—*Extension and replacement in two years in the Filipino teacher corps*

	In service		Separated		Percentage of replacement	
	1929	1930	1929	1930	1929	1930
Insular.....	1,762	1,790	169	147	9.59	8.21
Provincial.....	1,181	1,300	263	212	22.27	16.31
Municipal.....	24,189	25,043	4,145	3,819	17.14	15.25
Total.....	27,132	28,133	4,577	4,178	16.87	14.85

TABLE 27.—*Annual increase in secondary teachers employed*

	1925	1926	1927	1928	1929	1930
Total employed.....	1,096	1,225	1,374	1,535	1,685	1,757
Increase over previous year.....	157	129	149	161	150	72

TABLE 28.—*Annual replacement of provincial secondary teachers*

	1925	1926	1927	1928	1929	1930
Teachers separated.....	109	180	232	237	263	212
Percentage of total employed.....	18.41	23.53	27.62	23.47	22.27	16.31

TABLE 29.—*Annual demand for new secondary teachers*

	1925	1926	1927	1928	1929	1930	1931	1932
Actual.....	266	309	381	398	413	282	230	200
Predicted.....								

TABLE 30.—*Number of secondary teaching assignments in which each subject appeared*

Subject	As one subject	In combination with one other subject	In combination with two or more subjects	Total
English.....	416	61	13	490
History.....	237	62	17	316
Mathematics.....	181	52	12	245
Biology.....	100	32	16	148
Physics.....	77	24	5	106
General science.....	64	36	16	116
Home economics.....	37	3		40
Librarian.....	32	20	13	65
Economics.....	32	32	4	66
Horticulture.....	8	10	8	26
Animal husbandry.....	4	12	9	25
Farm arithmetic.....	3	7	9	19
Farm crops.....	3	4	4	11
Psychology.....	2	4	3	9
Plant disease.....	1	6	9	16
Mechanics.....		4	4	8

TABLE 31.—*Number of secondary teachers prepared and number not prepared for their teaching assignments*

Teaching assignments	Number	Teachers	
		Prepared	Not prepared
English.....	416	370	46
History.....	237	149	88
Mathematics.....	181	112	69
Biology.....	100	80	20
Physics.....	77	27	50
General science.....	64	19	45
Home economics.....	37	134	3
Librarian.....	32	125	7
Economics.....	32	21	11
Psychology.....	2		2
English—History.....	20	5	15
Biology—General science.....	17	5	12
Economics—History.....	15		15
Mathematics—Physics.....	13	3	10
English—Mathematics.....	9	4	5
History—Mathematics.....	8		8
English—Librarian.....	8	3	5
English—General science.....	6		6
History—General science.....	6	1	5
History—Librarian.....	5		5
Mathematics—Economics.....	5		5
Mathematics—General science.....	4	1	3
Mathematics—Librarian.....	4	1	3
Mathematics—Mechanics.....	4		4
Biology—History.....	3	1	2
Psychology—History.....	3		3
Physics—Biology.....	3	1	2
Biology—Economics.....	3	2	1
Physics—General science.....	3	2	1
General science—Economics.....	4	2	2
English—Home economics.....	2		2
Mathematics—Biology.....	2	1	1
Biology—Home economics.....	1		1
English—Psychology.....	1		1
General science—Librarian.....	1		1
History—Physics.....	1		1
Spanish—Librarian.....	1		1
English—Physics.....	1		1
English—Biology.....	1		1
Total.....	1,332	869	463

¹ Philippine Normal School graduates also included as prepared for these subjects.

TABLE 32.—*B. S. E. graduates in service as secondary teachers but not teaching either of the subjects in which they majored or minored in college*

Major	Minor	Number	Major	Minor	Number
Biology.....	Bacteriology.....	3	English (contd.).....	Spanish.....	2
	Chemistry.....	5		History.....	1
	Economics.....	25		Sociology.....	1
	English.....	7	Geography.....	Economics.....	2
	General science.....	3		English.....	1
	Geography.....	2		Mathematics.....	1
	History.....	15	General science.....	Economics.....	2
	Physics.....	1		English.....	5
	Psychology.....	1		History.....	2
	Mathematics.....	2	History.....	Mathematics.....	2
	Biology.....	3		Economics.....	4
Economics.....	Business management.....	1		Education.....	1
	English.....	10	English.....	English.....	6
	Finance.....	4		General science.....	1
	Geography.....	7		Political science.....	9
	General science.....	3	Home economics.....	Biology.....	1
	History.....	12		Economics.....	2
	Home economics.....	5	Library science.....	English.....	2
	Library science.....	1		Economics.....	2
	Mathematics.....	1	Mathematics.....	Biology.....	1
	Biology.....	1		Economics.....	4
English.....	Economics.....	18		English.....	1
	General science.....	2	Physics.....	History.....	3
	Geography.....	1		Economics.....	2
	History.....	5		Chemistry.....	1
	Journalism.....	1	Political science.....	Economics.....	1
	Mathematics.....	4		History.....	2
	Physics.....	1		English.....	1
	Political science.....	3	Social science.....	Political science.....	1

TABLE 33.—*Number of positions filled by secondary teachers not specially qualified after shifting college-of-education graduates who are now in the service*

Teaching assignments	Table 5 needed ¹	Table 6 avail- able ¹	Still un- filled after shifting B. S. E. graduates	
English—History.....	15	11	4	
Biology—General science.....	12	3	9	
Economics—History.....	15	15	—	
Mathematics—Physics.....	10	—	10	
English—Mathematics.....	5	5	—	
History—Mathematics.....	8	3	5	
English—Librarian.....	5	2	3	
English—General science.....	6	6	—	
History—General science.....	5	3	2	
History—Librarian.....	5	—	5	
Mathematics—Economics.....	5	5	—	
Mathematics—General science.....	3	2	1	
Mathematics—Librarian.....	3	—	3	
Biology—History.....	2	2	—	
Psychology—History.....	3	—	3	
Physics—Biology.....	2	1	1	
Biology—Economics.....	1	1	—	
Physics—General science.....	1	—	1	
General science—Economics.....	2	2	—	
English—Economics.....	2	—	2	
Mathematics—Biology.....	1	1	—	
Biology—Home economics.....	1	1	—	
English—Psychology.....	1	—	1	
General science—Librarian.....	1	—	1	
History—Physics.....	1	—	1	
Spanish—Librarian.....	1	—	1	
English—Physics.....	1	1	—	
English—Biology.....	1	1	—	
<hr/>				
	A	Major	Minor	A
English.....	46	26	2	18
History.....	88	11	16	61
Mathematics.....	69	—	2	67
Biology.....	20	20	—	—
Physics.....	50	3	—	47
General science.....	45	3	1	41
Home economics.....	3	2	1	—
Librarian.....	7	3	1	3
Economics.....	11	11	—	—
Psychology.....	2	—	—	2
Total.....	—	—	—	292

¹ Disregard headings.TABLE 34.—*Majors and minors of secondary teachers who could not be used if all secondary teachers were teaching subjects for which they had prepared*

Major	Minor	Num- ber	Major	Minor	Num- ber
Biology.....	Economics.....	21	Economics.....	Home economics.....	4
Economics.....	Biology.....	3	Geography.....	Economics.....	2
Do.....	Finance.....	4	Political science.....	do.....	1
Do.....	Geography.....	7	Social science.....	Political science.....	1

TABLE 35.—*Major and minor subjects of new secondary teachers for whom positions would be available if all secondary teachers were teaching subjects for which they had prepared*

Major	Minor	Number	Major	Minor	Number
Mathematics	Physics	10	English	History	4
	History	5		Library science	3
	General science	1		Home economics	2
	Library science	3		Psychology	1
	(Any minor)	67		(Any minor)	18
	Total	86		Total	28
General science	Biology	9	Physics	Biology	1
	History	2		History	1
	Physics	1		(Any minor)	47
	Library science	1		Total	49
	(Any minor)	41			
	Total	54	Library science	Spanish	1
History	Library science	5		(Any minor)	3
	Psychology	3		Total	4
	(Any minor)	61		(Any minor)	2
	Total	69		Total	2

TABLE 36.—*Total amount of voluntary contributions for the last five school years*

School year	Amount	School year	Amount
1925-26	₱1,455,275.84	1928-29	₱865,005.66
1926-27	1,161,792.90	1929-30	1,276,622.42
1927-28	784,559.08		

Due to a lack of complete data covering the 1930 governmental expenditures, the figures presented in the following tables cover only the 1929 expenditures from funds provided by insular, provincial, and municipal governments. These figures are the most accurate that can be obtained at this time from published reports. It is possible that insular funds reported under insular expenditures have also been included with expenditures from provincial and municipal funds, thus causing larger provincial and municipal expenditures to appear than have actually occurred.

The following tables show expenditures for schools and for other purposes. As will be seen from these tables, total governmental expenditures per pupil have increased during the past five years from ₱22.02 to ₱26.30; 20.11 per cent of governmental expenditures for all purposes was used for school purposes in 1929; the expenditures of the insular government were 64.79 per cent of the total governmental expenditures for school purposes in 1929, as compared with 16.92 per cent and 18.29 per cent by the provincial and municipal governments, respectively; and the increase in governmental expenditures for schools for 1929 over 1928 was ₱1,593,386.13, or 5.50 per cent.

TABLE 37.—*Total governmental expenditures for school purposes for five years, expenditures per capita, and expenditures per pupil*

Year	Total expenditures	Percentage of increase or decrease (—)	Expenditures per capita ¹	Expenditures per pupil ²
1925	₱24,148,485.49		₱2.12	₱22.02
1926	25,424,434.32	5.28	2.20	23.95
1927	27,619,506.82	8.63	2.35	25.12
1928	28,994,965.98	4.98	2.43	26.09
1929	30,588,352.11	5.49	2.53	26.30

¹ Expenditures per capita are figured on the basis of the total population estimates as supplied by the Philippine Health Service.

² Expenditures per pupil are figured on the basis of the annual enrollment for September.

TABLE 38.—*Governmental expenditures for all purposes and the amount and percentage spent for school purposes in 1929*

Government	Expenditures	Expenditures for school purposes	Percentages which school expenditures were of total expenditures
Insular.....	P83,652,522.90	P19,819,438.12	23.69
Provincial.....	45,415,020.57	5,174,105.42	11.39
Municipal.....	23,012,836.99	5,594,808.57	24.31
Total.....	152,080,380.46	30,588,352.11	20.11

TABLE 39.—*Classification of insular, provincial, and municipal school expenditures in 1929*

Expenditures	Insular	Provincial	Municipal	Total
Aid to Provinces and municipalities.....	P13,477,166.75			P13,477,166.75
Salaries.....	4,264,190.00	P3,003,067.01	P1,832,921.22	9,100,178.23
Outlays.....	41,018.49	815,624.50	1,559,975.01	2,716,618.00
Other expenses.....	2,037,062.88	1,353,413.91	1,901,912.34	5,294,389.13
Total.....	19,819,438.12	5,174,105.42	5,594,808.57	30,588,352.11
Percentage of total expenditures for school purposes.....	64.79	16.92	18.29	100.00

TABLE 40.—*School expenditures from all governmental sources*

Government	Expenditures, 1928	Expenditures, 1929	Percentage of increase (+) or decrease (—)
Insular.....	P18,969,097.81	P19,819,438.12	+4.48
Provincial.....	4,402,545.65	5,174,105.42	+17.30
Municipal.....	5,623,322.52	5,594,808.57	— .51
Total.....	28,994,965.98	30,588,352.11	+5.50

TABLE 41.—*Expenditures from all governmental sources during the fiscal year 1929 for public education, public health, public works, and for other purposes*

	Insular		Provincial	
	Expenditure	Percentage	Expenditure	Percentage
Public education.....	P22,490,093.45	26.88	P5,174,105.42	11.39
Public health.....	4,800,792.32	5.74	2,876,836.99	6.34
Public works.....	9,194,005.28	10.99	19,152,174.41	42.17
Other purposes.....	47,167,630.85	56.39	18,211,903.75	40.10
Total.....	83,652,522.90	100.00	45,415,020.57	100.00

	Municipal		Total	
	Expenditure	Percentage	Expenditure	Percentage
Public education.....	P5,594,808.57	24.31	P33,259,007.44	21.87
Public health.....	576,342.88	2.51	8,253,972.19	5.43
Public works.....	4,483,250.04	19.48	32,829,430.73	21.59
Other purposes.....	12,358,435.50	53.70	77,737,970.10	51.11
Total.....	23,012,836.99	100.00	152,080,380.46	100.00

TABLE 42.—*Insular funds released for school-building construction, 1930*

	Amount
Elementary-school buildings.....	P2, 424, 500
High-school buildings.....	139, 000
Trade-school buildings.....	75, 000
Agricultural-school buildings.....	210, 000
Normal-school buildings.....	15, 000
Total.....	2, 863, 500

OFFICE OF THE COMMISSIONER OF PRIVATE EDUCATION— STATISTICAL TABLES

TABLE 1.—(a) *Classification of private schools by religious denominations, 1930-31*

NUMBER OF SCHOOLS (COUNTED BY COURSES)

Course	Denomination			
	Catholic	Protes- tant	Nonsec- tarian	Total
Primary.....	184	2	23	209
Intermediate.....	122	4	47	173
Secondary.....	97	12	145	254
College cultural.....	15	7	13	35
Technical ¹	22	8	39	69
Miscellaneous ²	3		1	4
Total:				
1930-31.....	443	33	268	744
1929-30.....	401	28	268	697

ENROLLMENT

Primary.....	30, 919	107	3, 097	34, 123
Intermediate.....	10, 201	228	3, 716	14, 145
Secondary.....	9, 361	1, 590	24, 952	35, 903
College cultural.....	1, 034	306	1, 601	2, 941
Technical.....	2, 531	466	8, 043	11, 040
Miscellaneous.....	33	29	430	492
Total:				
1930-31.....	54, 079	2, 726	31, 839	98, 644
1929-30.....	50, 875	1, 812	40, 931	93, 618

¹ Nursing schools have been included in the technical schools.² Music and optical courses have been classified as miscellaneous courses.TABLE 1.—(b) *Classification of private schools by religious denominations, 1928-29*

NUMBER OF SCHOOLS (COUNTED BY COURSES)

Course	Denomination			
	Catholic	Protes- tant	Nonsec- tarian	Total
Primary.....	176	2	25	203
Intermediate.....	115	3	50	168
Secondary.....	75	5	³ 145	225
College cultural.....	16	7	10	33
Technical ¹	15	8	28	51
Miscellaneous ²	4	3	10	17
Total:				
1929-30.....	401	28	268	697
1928-29.....	378	25	218	621

¹ Nursing schools have been included in the technical schools.² The special courses, such as music course, etc., have been classified as miscellaneous courses.³ The number (145) of nonsectarian secondary courses includes the Mons. Aglipay Institute at Plaridel, Misamis.

TABLE 1.—(b) *Classification of private schools by religious demoninations 1928-29.—Continued*

ENROLLMENT

Course	Denomination			
	Catholic	Protes- tant	Nonsec- tarian	Total
Primary.....	29,286	107	3,768	33,161
Intermediate.....	9,733	173	3,980	13,886
Secondary.....	8,577	665	24,446	33,688
College cultural.....	857	432	1,482	2,771
Technical.....	2,308	413	6,807	9,528
Miscellaneous.....	114	22	443	584
Total:				
1929-30.....	50,875	1,812	40,931	93,618
1928-29.....	48,035	2,208	34,570	84,813

TABLE 2.—(a) *Number of private schools (counted by courses)*

Kinds of course	1929-30	1930-31	Increase(+) or decrease(-)	Percentage (+ or -)
Primary.....	203	209	+6	+0.03
Intermediate.....	168	173	+5	+0.03
Secondary.....	225	254	+29	+13
College cultural.....	33	35	+2	+6
Technical.....	51	69	+18	+35
Miscellaneous.....	17	4	-14	-82
Total.....	697	744	+47	+7

TABLE 2.—(b) *Number of private schools (counted as incorporated separately)*

In December, 1928.....	331
In December, 1929.....	353
In December, 1930.....	355

TABLE 3.—*Enrollment*

Kinds of schools	1929-30	1930-31	Increase (+) or de- crease (-)	Percentage (+ or -)
Primary.....	33,161	34,123	+962	+3
Intermediate.....	13,886	14,145	+259	+2
Secondary.....	33,688	35,903	+2,215	+7
Collegiate cultural.....	2,771	2,941	+170	+6
Technical.....	9,528	11,040	+1,512	+16
Miscellaneous.....	584	492	-92	-16
Total.....	93,618	98,644	+5,026	+5

ENROLLMENT IN SUMMER SESSIONS (SECONDARY)

	Teachers	Repeat- ers
1929:		
Association Institute, main branch.....	192	52
Far Eastern College.....	621	87
National University.....	232	233
University of Manila.....		
Total.....	1,045	372
1930:		
Baliuag Institute, Baliuag, Bulacan.....	84	
Hagonoy Institute, Hagonoy, Bulacan.....	54	
Colegio del Beaterio, Manila.....	8	
St. Paul's Institution, Manila.....	12	
Far Eastern College, Manila.....	158	96
National University, Manila.....	475	135
Total.....	1,065	231
Enrollment in summer collegiate course (1930).....		2,704

TABLE 4.—*Number of private schools visited*

Year	Once	Twice	Three times	Four times	More than four times
1927.....	61	86	52	23	101
1928.....	67	73	63	48	82
1929.....	71	90	70	35	80
1930.....	142	83	48	27	53

NOTE.—The following schools were not visited during 1930: St. Mary's School, Pilar, Abra; Colegio de la Sagrada Familia, Baliuag, Bulacan; Cagayan Valley Institute, Aparri, Cagayan; Sacred Heart of Mary's Institution, Aparri, Cagayan; Sacred Heart of Jesus Institution, Tuguegarao, Cagayan; Catholic Parochial School of Cotabato, Cotabato, Cotabato; St. Agnes School, Cervantes, Ilocos Sur; San Joaquin Catholic School, San Joaquin, Iloilo; Isabela Institute, Echague, Isabela; Malindig, Institute, Sta. Cruz, Marinduque; Stella Maris School, Lubang, Mindoro; Mount Carmel School, Talisayan, Misamis; Camp John Hay School, Baguio, Mountain Province; Itoyon Catholic School, Itoyon, Mountain Province; Luzon Central Institute, San Isidro, Nueva Ecija; St. Joseph's School of Cuyo, Palawan; Zambales Academy, San Narciso, Zambales; Emmanuel Hospital Training School for Nurses, Capiz, Union Mission Hospital Training School for Nurses, Iloilo, Iloilo; The Nurses Training School of the Philippine Christian Institute of Laoag; The Nurses Training School of the Philippine Christian Institute of Vigan.

TABLE 5.—*Permits issued and corporate authorities granted*

	New schools				Old schools			
	1927	1928	1929	1930	1927	1928	1929	1930
Permits.....	31	14	44	21	50	68	88	77
Corporate authorities.....		1	2	4	7	3	2	1

NOTE.—Actual number of permits issued counted; new branch schools considered as new. Actual number of corporate authorities granted counted.

TABLE 6.—*Library*

	December, 1929	December, 1930	Increase	Decrease	Per cent of difference (+ or -)
Reference books.....	77,380	90,727	13,347	-----	+17
Library books.....	169,552	192,303	22,751	-----	+13
Total.....	246,932	283,030	36,098	-----	+14
Separate subscriptions to periodicals.....	9,506	4,672	-----	4,834	-51

TABLE 7.—*Qualifications, status, and length of service of instructors*

	December, 1929	December, 1930	Increase	Decrease	Per cent of increase (+) or decrease (-)
A. Qualifications of instructors:					
1. Fully qualified instructors—					
Primary.....	627	724	97	-----	+15
Intermediate.....	616	642	26	-----	+4
Secondary.....	904	913	9	-----	+1
Total.....	2,147	2,279	132	-----	+6
2. Instructors having certificates of eligibility—					
Primary.....	223	170	-----	53	-24
Intermediate.....	31	21	-----	10	-33
Secondary.....	284	234	-----	50	-18
Total.....	538	425	-----	113	-21

TABLE 7.—Qualifications, status, and length of service of instructors—Continued

	Decem- ber, 1929	Decem- ber, 1930	Increase	Decrease	Per cent of increase (+) or decrease (-)
A. Qualifications of instructors—Continued.					
3. Instructors not coming under 1 and 2 above—					
Primary.....	81	42	-----	39	-48
Intermediate.....	28	12	-----	16	-57
Secondary.....	88	33	-----	55	-63
Total.....	197	87	-----	110	-56
B. Status of instructors:					
1. Part-time instructors—					
Primary.....	124	84	-----	40	-32
Intermediate.....	169	148	-----	21	-12
Secondary.....	319	303	-----	16	-5
Collegiate.....	200	203	3	-----	+1
Technical.....	388	257	-----	131	-34
Special.....	19	77	58	-----	+300
Total.....	1,219	1,072	61	208	-12
2. Full-time instructors—					
Primary.....	807	852	45	-----	+5
Intermediate.....	506	527	21	-----	+4
Secondary.....	957	877	-----	80	-8
Collegiate.....	182	183	1	-----	+5
Technical.....	63	145	82	-----	+130
Special.....	9	18	9	-----	+100
Total.....	2,524	2,602	158	80	+3

C. LENGTH OF SERVICE OF INSTRUCTORS

	1. Newly appointed in the school during—				Per cent of difference (+ or -)
	1929	1930	Increase	Decrease	
Primary.....	333	373	40	-----	+11
Intermediate.....	249	252	3	-----	+1
Secondary.....	404	451	47	-----	+12
Collegiate.....	105	80	-----	25	-24
Technical.....	120	78	-----	42	-35
Special.....	11	14	3	-----	+27
Total.....	1,222	1,248	93	67	+2
	2. Now employed in the school and appointed before—				Per cent of difference (+ or -)
	1929	1930	Increase	Decrease	
Primary.....	513	563	50	-----	+10
Intermediate.....	383	423	40	-----	+10
Secondary.....	713	729	16	-----	+2
Collegiate.....	226	306	80	-----	+35
Technical.....	314	324	10	-----	+3
Special.....	19	81	62	-----	+326
Total.....	2,168	2,426	258	-----	+12

NOTE.—+ = increase; - = decrease.

TABLE 8.—*Cancellations of recognition and permits issued during 1930 and during the last three years*

	1927	1928	1929	1930
<i>Recognition</i>				
A. Cancellations affecting entire schools:				
(a) For failure to meet requirements	14	13		1
(b) Voluntary	6	6	2	8
(c) Through failure to operate	10	9		1
(d) Miscellaneous reasons		1	1	
Total	30	29	3	10
B. Cancellations affecting separate grades, years, or courses only:				
(a) For failure to meet requirements	5	16		1
(b) Voluntary	4	10	1	13
(c) Through failure to operate	17	17		
(d) Miscellaneous reasons				1
Total	26	43	1	15
Grand total	56	72	4	25
<i>Permits</i>				
(a) For failure to meet requirements	12	13		1
(b) Voluntary	2	6	1	3
(c) Through failure to operate	20	4		10
Total	34	23	1	14

PHILIPPINE HEALTH SERVICE—STATISTICAL TABLES

TABLE 1.—*Showing the number of medical personnel*

Rank and assignment	1929	1930
Director of health	1	1
Chiefs of divisions	5	5
District inspectors	5	4
Senior medical inspectors	22	22
Medical inspectors	23	25
Senior surgeons	34	38
Surgeons	36	32
Assistant surgeons	7	10
Chiefs of hospitals or resident physicians (not assistant surgeons nor in the commissioned service)	19	26
Presidents of sanitary divisions	300	315
Assistant and assistant to district health officers (not in the commissioned service)	6	8
Physicians:		
Modern leprosy treatment and clinical investigation (not in the commissioned service)	16	25
Malaria control (not in the commissioned service)	4	5
Supernumerary physicians (not in the commissioned service)	3	6
Total	481	522

TABLE 2.—*Showing the number of nonmedical personnel*

Classification	1929	1930
Sanitary inspectors	1,525	1,547
Dispensary attendant sanitary inspectors	93	102
Vaccinators	152	150
Nurses	374	407
Clerks	245	277
Total	2,389	2,483

TABLE 3.—*Showing the number of appointments (insular force)*¹

Specification	1929	1930
Probational.....	75	83
Temporary.....	105	115
Reinstatements and transfers to this service.....	27	44
Total.....	207	242

¹ Excludes two months' employment of over 1,300 emergency inoculators for cholera campaign.TABLE 4.—*Showing the number of separations (insular force)*

Specification	1929	1930
Resignations.....	72	64
Honorable discharge.....	1	0
Dismissed or dropped.....	3	4
Transfers from this service.....	10	15
Died.....	4	2
Left.....	0	0
Services dispensed with.....	1	3
Retired.....	13	28
Total.....	94	96

¹ Excludes 5 pensionaries of provincial status.² Excludes 10 pensionaries of provincial status.TABLE 5.—*Showing the various rates for all Philippines during 1930, as compared with those of 1929, and the average of the last five years ending December 31, 1929*

Year	Estimated population		Rates per 1,000 Christian population			Infant mortality per 1,000 births
	Christian alone	Christian and non-Christian	Marriages ¹	Births	Deaths	
1929.....	10,956,589	1,125,777	12.34	39.15	21.70	161.63
Average of last 5 years.....	10,656,545	1,087,627	15.22	38.55	20.88	154.30
1930.....	11,106,611	1,144,983	12.53	² 38.35	² 23.08	² 168.12

¹ Registration incomplete.² Estimated only, since returns are not yet complete.NOTE.—Rates based on Christian population alone, since the returns from the non-Christian Provinces^s are unreliable.TABLE 6.—*Showing the various rates for the city of Manila during 1930, as compared with those of 1929, and the average of the last five years ending December 31, 1929*

Year	Estimated population	Rates per 1,000 population			Infant mortality per 1,000 births
		Marriages ¹	Births	Deaths	
1929.....	328,650	4.91	48.98	27.24	171.57
Average of last 5 years.....	320,394	13.36	48.10	24.96	161.32
1930.....	332,778	5.49	49.83	27.26	160.24

¹ Registration incomplete.

TABLE 7.—Showing the number of cholera cases and deaths, by months, in the Provinces and Manila during 1930

Province	January		February		March		April		May		June		July	
	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths
Antique.....													10	7
Bohol.....														
Bulacan.....											3	1	5	4
Capiz.....														3
Cebu.....									38	28	525	254	666	317
Iloilo.....											2		565	356
La Union.....													2	
Leyte.....											56	25	5	3
Masbate.....											24	4	117	49
Nueva Ecija.....													1	1
Occidental Negros.....									10	7	178	113	680	441
Oriental Negros.....													29	15
Pangasinan.....											1		3	3
Rizal.....											1	1		
Samar.....														
Sorsogon.....														
Surigao.....					5	3								
Tarlac.....													3	
City of Manila ¹									1		1	1		
Total.....					5	3			49	35	791	399	2,090	1,195

Province	August		September		October		November		December		Total	
	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths
Antique.....	14	8	54	37	28	11					106	63
Bohol.....	189	99	15	6							204	105
Bulacan.....	2	1	4			1					14	3
Capiz.....											4	3
Cebu.....	65	24	17	9	1	1			1	1	1,313	634
Iloilo.....	569	408	164	103	46	33	52	35	27	23	1,425	958
La Union.....											2	
Leyte.....											61	28
Masbate.....	51	18									192	71
Nueva Ecija.....											1	1
Occidental Negros.....	281	210	85	61	29	27	131	93	133	110	1,527	1,062
Oriental Negros.....	2	3									31	18
Pangasinan.....											4	3
Rizal.....	1		2	2							4	3
Samar.....	26	22	10	7	15	11	12	11	14	9	77	60
Sorsogon.....							5	4			5	4
Surigao.....	59	36	8	5							72	44
Tarlac.....											3	
City of Manila ¹	17	5	28	7	2	1					49	14
Total.....	1,276	834	387	237	121	85	200	143	175	143	5,094	3,074

¹ Including nonresidents.

NOTE.—The above figures are still subject to correction.

TABLE 8.—Showing the number of cholera cases and deaths, by year, in the Provinces and Manila

Year	Manila		Provinces		Total	
	Cases	Deaths	Cases	Deaths	Cases	Deaths
Average of 5 years ending 1922.....	224	98	(¹)	4,971	2 224	2 5,090
1923.....	0	0	19	11	19	11
1924.....	1	1	37	25	38	26
1925.....	240	69	819	519	1,059	588
1926.....	33	8	301	230	334	238
1927.....	3	0	7	3	10	3
1928.....	2	0	16	8	18	8
1929.....	0	0	1	0	1	0
1930.....	42	11	5,052	3,063	5,094	3,074

¹ Incomplete data.² Includes deaths of unknown incidence.

TABLE 9.—*Showing the number of cases and deaths from typhoid fever*

Year	Manila		Provinces ¹		Total	
	Cases	Deaths	Cases	Deaths	Cases	Deaths
Average of 5 years, 1918-1922.....	724	229	(²)	2,912	(²)	³ 3,198
1923.....	1,057	270	(²)	1,752	(²)	2,022
1924.....	745	215	2,147	1,706	3,162	1,921
1925.....	587	171	2,294	1,639	2,881	1,810
1926.....	350	92	1,915	1,411	2,265	1,503
1927.....	395	103	1,824	1,334	2,219	1,437
1928.....	619	186	2,086	1,389	2,705	1,575
1929.....	404	115	1,927	1,240	2,331	1,355
1930 ⁴	262	63	1,396	872	1,658	935

¹ Includes transient residents in Manila.² Data not available.³ Includes deaths with unknown residence.⁴ Incomplete.TABLE 10.—*Showing the number of dysentery cases and deaths*

Year	Manila		Provinces ¹		Total	
	Cases	Deaths	Cases	Deaths	Cases	Deaths
Average of 5 years, 1918-1922.....	(²)	327	(²)	11,278	-----	³ 11,641
1923.....	224	115	(²)	7,051	(²)	7,166
1924.....	239	147	16,304	8,306	16,543	8,453
1925.....	195	124	8,999	4,801	9,194	4,925
1926.....	494	266	16,554	9,073	17,048	9,339
1927.....	422	242	15,204	6,285	15,626	6,527
1928.....	240	132	11,056	4,399	11,296	4,531
1929.....	602	277	14,200	4,909	14,802	5,186
1930 ⁴	387	127	14,143	6,107	14,530	6,234

¹ Includes transient residents registered in Manila.² Data not available.³ Includes deaths with unknown residence.⁴ Incomplete.TABLE 11.—*Showing the number of cases and deaths, by year, from measles*

Year	Manila		Provinces ¹		Total	
	Cases	Deaths	Cases	Deaths	Cases	Deaths
1922.....	154	9	(²)	1,009	(²)	1,017
1923.....	276	18	2,763	518	3,039	536
1924.....	248	24	3,498	749	3,744	773
1925.....	114	3	1,998	420	2,112	423
1926.....	239	15	7,794	2,892	8,033	2,907
1927.....	204	20	4,352	949	4,556	969
1928.....	110	12	2,544	640	2,654	652
1929.....	148	6	2,601	445	2,749	451
1930 ³	263	22	5,687	1,359	5,950	1,381

¹ Includes transient residents reported in Manila.² Data not available.³ Incomplete.

TABLE 12.—*Showing the number of cases and deaths from influenza*

Year	Manila		Provinces ¹		Total	
	Cases	Deaths	Cases	Deaths	Cases	Deaths
1922.....	213	39	(²)	2, 871	(²)	2, 910
1923.....	291	46	10, 371	3, 693	10, 662	3, 739
1924.....	359	101	18, 171	6, 633	18, 530	6, 734
1925.....	312	90	14, 962	5, 008	15, 274	5, 098
1926.....	265	74	13, 040	6, 209	13, 305	6, 283
1927.....	263	49	15, 822	7, 034	16, 085	7, 083
1928.....	198	64	18, 847	7, 770	19, 045	7, 834
1929.....	350	62	19, 011	7, 888	19, 361	7, 950
1930 ³	745	53	19, 636	7, 360	20, 381	7, 413

¹ Including transient cases in Manila.² Data not available.³ Incomplete.TABLE 13.—*Showing the number of cases and deaths from diphtheria*

Year	Manila		Provinces ¹		Total	
	Cases	Deaths	Cases	Deaths	Cases	Deaths
Average of 5 years, 1918-1922.....	(²)	15	(²)	329	(²)	344
1923.....	35	15	(²)	163	(²)	178
1924.....	61	25	162	94	223	119
1925.....	55	16	127	82	182	98
1926.....	124	25	150	95	274	120
1927.....	104	17	125	73	229	90
1928.....	116	19	174	82	290	101
1929.....	106	22	180	93	286	115
1930 ³	119	33	186	81	305	114

¹ Includes transient cases and deaths in Manila.² Data not available.³ Incomplete.TABLE 14.—*Showing the number of deaths from tuberculosis*

Year	Manila		Provinces ¹		Total	
	Respira- tory	Other organs	Respira- tory	Other organs	Respira- tory	Other organs
1921.....	1, 371	134	23, 347	1, 984	24, 718	2, 118
1922.....	1, 319	174	22, 733	1, 926	25, 052	2, 130
1923.....	1, 473	197	25, 191	1, 796	26, 664	1, 993
1924.....	1, 485	228	26, 066	1, 755	27, 551	1, 983
1925.....	1, 530	135	25, 273	2, 126	26, 803	2, 261
1926.....	1, 762	188	26, 774	1, 862	28, 536	2, 050
1927.....	1, 664	186	26, 415	1, 883	28, 079	2, 069
1928.....	1, 575	162	27, 472	1, 719	29, 047	1, 881
1929.....	1, 788	161	28, 644	1, 887	30, 432	2, 048
1930 ²	2, 000	179	23, 678	1, 465	25, 678	1, 644

¹ Includes transient deaths in Manila.² Incomplete.

TABLE 15.—*Showing the number of deaths from malaria*

Year	Manila	Prov- inces ¹	Total	Year	Manila	Prov- inces ¹	Total
1921.....	77	28,627	28,704	1926.....	31	24,317	24,368
1922.....	36	27,160	27,189	1927.....	27	19,493	19,520
1923.....	29	24,113	24,142	1928.....	37	15,886	15,923
1924.....	50	26,678	26,728	1929.....	41	15,291	15,332
1925.....	59	24,267	24,326	1930 ²	17	12,915	12,932

¹ Includes deaths of transients in Manila.² Incomplete.TABLE 16.—*Showing the number of deaths from beriberi (infants and adults)*

Year	Manila	Prov- inces ¹	Total	Year	Manila	Prov- inces ¹	Total
1921.....	705	15,311	16,016	1926.....	526	18,678	19,204
1922.....	648	16,241	16,889	1927.....	288	16,781	17,069
1923.....	698	17,417	18,115	1928.....	368	16,409	16,777
1924.....	600	18,331	18,931	1929.....	552	19,664	20,216
1925.....	587	17,944	18,531	1930 ²	326	18,259	18,585

¹ Includes transient deaths in Manila.² Incomplete.TABLE 17.—*Showing the activities of public-health nursing*

IN MANILA

Total home visits made.....	14,218	Number of schools under care.....	7
Total nursing care visits made.....	646	Number of visits to schools.....	308
Total houses visited.....	7,535	Number of classroom inspections made.....	441
Total families visited.....	9,437	Number of children examined by physi- cians, nurses assisting.....	1,091
Total attendance at clinics.....	18,468	Number of children given full inspection by nurses.....	2,154
Total treatments given.....	15,319	Number of children given partial inspec- tions.....	1,210
Total individuals registered in clinics.....	3,908	Number of children found with defects.....	2,210
Total smallpox vaccinations performed.....	2,760	Number of children with defects corrected.....	302
Total anticholera injections given.....	30,149	Number of children excluded from schools.....	19
Total anticholera-typhoid injections given.....	54,653	Total number of defects found.....	3,510
Total antidyentery injections given.....	23,316	Total number of defects corrected.....	945
Total anticholera-dysentery injections given.....	56,573		
Total antirabic injections performed.....	1,106		

IN THE PROVINCES

Total home visits made.....	137,173	Total attendance in lectures to midwives..	2,463
Total nursing care visits made.....	56,673	Total conferences with teachers.....	742
Total houses visited.....	146,498	Total demonstrations given on various things.....	2,025
Total families visited.....	141,332	Total attendance at such demonstrations..	16,813
Total treatments given in clinics.....	299,805	Total schools visited during the year.....	331
Total school children treated.....	43,616	Total visits made to schools.....	3,723
Total attendance in clinics.....	132,769	Total classroom inspections made.....	34,337
Total individuals registered in clinics.....	113,859	Total children examined by physician, nurse assisting.....	17,137
Total smallpox vaccinations performed.....	34,969	Total children given full inspection by nurses.....	85,884
Total anticholera injections given.....	271,294	Total children given partial inspections by nurses.....	29,503
Total anticholera-typhoid injections given.....	157,105	Total children found with defects.....	59,755
Total anticholera-dysentery injections given.....	263,580	Total children with defects corrected.....	12,047
Total antidyentery injections given.....	100,253	Total children excluded from schools.....	12,949
Total public lectures given in towns and barrios.....	3,257	Total number of inspections made on schools and premises.....	501
Total attendance at lectures.....	67,546		
Total lectures given to midwives.....	1,175		

TABLE 18.—*Showing antiplague operation work (rat extermination)*

Number of—		
Spring traps set.....	272, 568	
Rats caught by spring traps.....		32, 310
Cage wire traps set.....	4, 379	
Rats caught by cage wire traps.....		28
Kind of baits (coconuts).....	293, 329	
Poison portions placed.....	540, 271	
Rats found poisoned.....		6, 055
Rats killed by clubs and other weapons.....		7, 301
Rats found dead from other causes.....		8, 401
Alive rats caught by hands.....		654
Total number of rats caught during the year.....	54, 749	
Number of—		
Rats reported as infected by the bureau of science.....		0
Cases sent to San Lazaro under suspicion of plague.....		0
Cases found death from plague in district.....		0
Suspected cases reported bacteriologically positive by the bureau of science.....		0
Complaints received.....		223
Complaints attended to.....		140
Complaints received out of zone not attended to.....		93

SANITARY ORDERS CLEANING

Number of—		
Sanitary orders remaining from Dec. 31, 1929.....		0
Sanitary minor orders issued.....		120
Sanitary minor orders completed.....		120
Sanitary minor orders awaiting action.....		0
Cases pending action by the city fiscal.....		0
Fines.....		0

TABLE 19.—*Showing the number of disinfections done during the year*

Causes	Dwell-ings	Public build-ings	Food stores	Other stores	Fac-tories
For communicable diseases.....	3, 691	8	3	1	
Systematic for communicable diseases.....	34, 120				21
Insanitary conditions.....	429	88	243	19	1
Exhumations.....					
Total.....	38, 240	96	246	20	22

Causes	Schools	Mar-kets	Com-fort stations	Stables	Other places	Total
For communicable diseases.....	6				48	3, 757
Systematic for communicable diseases.....	3		258	488	675	33, 565
Insanitary conditions.....	2	549	959	15	851	3, 156
Exhumations.....					1, 928	1, 928
Total.....	11	549	1, 217	503	3, 502	44, 406

TABLE 20.—*Showing sanitary orders and prosecutions*

Health districts	Sanitary orders					Prosecutions		
	Issued	Com-plied	Can-celed	Pend-ing	Num-ber of persons prosecuted	Fined	Ac-quitted	Pend-ing
No. 1—Meisic.....	1, 183	720		390	1 265	201	64	
No. 2—Sampaloc.....	1, 143	962	77	53	51	18	31	2
No. 3—Paco.....	1, 046	885		115	46	33	13	
License section.....	1, 847	1, 714	14	11	108	96	10	2
Total.....	5, 219	4, 281	91	569	470	348	118	4

¹ Including 192 violators of sanitary regulations who were not served with orders.

TABLE 21.—*Showing data of sanitary engineering work during the last seven years*

Specification	1924	1925	1926	1927	1928	1929	Total work during 6 years ending 1929	1930
Sanitary orders:								
Issued.....	602	620	812	352	580	629	3,597	974
Completed.....	492	441	651	433	301	269	2,587	603
Canceled.....	47	36	34	32	98	38	315	55
Building plans approved.....	1,163	1,194	1,299	1,335	1,529	1,468	7,988	1,802
Building plans completed.....	625	802	993	782	749	680	5,631	546
Permits for minor building constructions:								
Approved.....	1,053	1,429	1,194	1,415	1,543	1,536	8,170	1,647
Disapproved.....	277	363	166	203	316	351	1,676	544
Permits for light and mixed material structures:								
Approved.....	949	1,318	953	614	1,064	1,104	6,003	1,146
Disapproved.....	335	327	229	127	325	544	1,877	659
Plumbing:								
Permits issued.....	1,757	2,370	1,877	1,820	1,925	1,875	11,624	2,117
Projects completed.....	1,397	2,112	1,709	1,748	1,695	1,563	10,224	1,846
Premises connected to the sanitary sewer.....	289	252	233	228	194	198	1,394	480
Blue-print copies made from various tracings.....	1,035	761	946	776	930	847	5,295	560

TABLE 22.—*Showing the name and bed capacity of hospitals under the Philippine Health Service*

Name of hospital	At the beginning of 1930		At the end of 1930		Increase or decrease, bed capacity
	Number	Bed capacity	Number	Bed capacity	
Albay Provincial Hospital.....	1	35	1	35	—
Antipolo Emergency Hospital.....	1	6	1	6	—
Antique Provincial Hospital.....	—	—	1	8	8
Badoc Emergency Hospital.....	1	(¹)	—	—	(¹)
Baguio Hospital.....	1	67	1	67	—
Batangas Provincial Hospital.....	1	30	1	30	—
Bayombong Hospital.....	1	20	1	20	—
Bohol Provincial Hospital.....	1	8	1	8	—
Bontoc Hospital.....	1	35	1	35	—
Bukidnon Emergency Hospital.....	1	9	1	10	1
Butuan Public Hospital.....	1	42	1	42	—
Capiz Provincial Hospital.....	—	—	1	30	30
Cervantes Emergency Hospital.....	1	8	1	8	—
Cotabato Public Hospital.....	1	50	1	50	—
Cuyo Hospital.....	1	20	1	20	—
Davao Public Hospital.....	1	60	1	60	—
Dipolog Emergency Hospital.....	1	12	1	12	—
Eladia Memorial Hospital.....	—	—	1	12	12
Ilocos Norte Emergency Hospital.....	1	12	1	12	—
Ilocos Sur Provincial Hospital.....	1	8	1	8	—
Insular Psychopathic Hospital.....	1	400	1	800	400
Kiangnan Hospital.....	1	15	1	15	—
Laguna Provincial Hospital.....	1	35	1	35	—
Lanao Public Hospital.....	1	40	1	40	—
Leyte Provincial Hospital.....	1	30	1	30	—
Lubuagan Hospital.....	1	10	1	10	—
Margosatubig Emergency Hospital.....	1	10	1	12	2
Mati Emergency Hospital.....	1	6	1	6	—
Misamis Public Hospital.....	1	25	1	25	—
Naga Provincial Hospital.....	1	22	1	22	—
Nueva Ecija Provincial Hospital.....	—	—	1	35	35
Occidental Negros Provincial Hospital.....	1	55	1	55	—
Pampanga Emergency Hospital.....	1	12	1	12	—
Pangasinan Provincial Hospital.....	1	50	1	50	—
Pikit Emergency Hospital.....	1	8	1	8	—
Puerto Princesa Hospital.....	1	16	1	16	—
Rizal Memorial Hospital.....	1	50	1	50	—

¹ Bed capacity of Badoc Emergency Hospital was not reported.

TABLE 22.—*Showing the name and bed capacity of hospitals under the Philippine Health Service—Continued*

Name of hospital	At the beginning of 1930		At the end of 1930		Increase or decrease, bed capacity
	Number	Bed capacity	Number	Bed capacity	
San Lazaro Hospital.....	1	1,070	1	1,278	208
San Pablo Hospital.....	1	15	1	20	5
Sorsogon Provincial Hospital.....			1	30	30
Sulu Public Hospital.....	1	40	1	40	
Tarlac Provincial Hospital.....	1	30	1	30	
Tayabas Provincial Hospital.....	1	70	1	70	
Zamboanga General Hospital.....	1	80	1	80	
Culion Leper Colony Hospital.....	1	500	1	500	
Total.....	40	3,011	44	3,742	731

TABLE 23.—*Showing a summary of all hospitals in operation under the service*

	At the beginning of 1930		At the end of 1930	
	Number	Bed capacity	Number	Bed capacity
General, insular.....	23	866	127	1,969
General, provincial.....	3	77	3	77
General, municipal.....	1	15	2	32
Emergency, provincial.....	10	83	3	86
Psychopathic, insular.....	1	400	1	800
Contagious, insular.....	1	1,070	1	1,278
Leprosaria ⁶	1	500	1	500

¹ Increase is due to the opening of Antique Provincial Hospital (8 beds), Capiz Provincial Hospital (30 beds), Nueva Ecija Provincial Hospital (35 beds), and Sorsogon Provincial Hospital (30 beds).

² Increase is due to the operation of Eladia Memorial Hospital, which was donated to the municipality of San Miguel de Mayumo, Bulacan.

³ The Badoc Emergency Hospital is operated as public dispensary only, according to the latest report received. The bed capacity of Bukidnon Emergency Hospital was increased from 9 to 10 and that of Margosatubig Emergency Hospital from 10 to 12.

⁴ Dormitory beds. Increase is due to the transfer of the remaining insanes in San Lazaro Hospital.

⁵ Including 500 dormitory beds for lepers.

⁶ Hospital of Culion Leper Colony.

TABLE 24.—*Showing the number of hospitals operated under Act 3114, as amended by Act 3168*

	At the beginning of 1930		At the end of 1930	
	Number	Bed capacity	Number	Bed capacity
Completed and in operation.....	9	321	13	424
Completed but not yet in operation.....	1	8		
Total.....	10	329	13	424

¹ The Nueva Ecija Provincial Hospital, formerly of 8 beds, was opened on Dec. 16, 1930, with the total capacity of 35 beds. Besides the Nueva Ecija Provincial Hospital, the Antique Provincial Hospital, the Capiz Provincial Hospital and the Sorsogon Provincial Hospital were also opened during the year.

TABLE 25.—*Showing the number and movements of negative lepers released from segregation, by Provinces*

Provinces	Number of negative lepers remaining in the Provinces	Number of reporting	Died	Relapsed
Abra.....	6	5	5	0
Agusan.....	3	0	1	0
Albay.....	30	10	1	2
Antique.....	15	6	0	0
Bataan.....	11	6	2	1
Batanes.....	7	5	2	0
Batangas.....	22	14	6	1
Bohol.....	67	13	2	0
Bukidnon.....	3	3	0	0
Bulacan.....	39	20	1	13
Cagayan.....	39	10	2	0
Camarines Norte.....	2	1	0	0
Camarines Sur.....	54	20	4	4
Capiz.....	33	6	0	1
Cavite.....	42	21	2	9
Cebu.....	778	273	0	56
Cotabato.....	34	13	0	0
Davao.....	9	8	0	0
Ilocos Norte.....	17	10	1	0
Ilocos Sur.....	59	11	0	3
Iloilo.....	136	38	0	4
Isabela.....	5	4	0	0
Laguna.....	34	34	3	14
La Union.....	16	7	0	1
Lanao.....	9	4	0	0
Leyte.....	41	17	1	1
Manila.....	242	159	16	95
Marinduque.....	0	0	0	0
Masbate.....	2	0	0	0
Mindoro.....	3	3	1	0
Occidental Misamis.....	6	3	0	0
Oriental Misamis.....	14	10	0	9
Mountain Province.....	1	1	0	1
Nueva Ecija.....	40	15	1	3
Nueva Vizcaya.....	3	0	0	0
Occidental Negros.....	24	15	2	0
Oriental Negros.....	10	4	0	0
Palawan.....	18	4	0	0
Pampanga.....	21	16	3	7
Pangasinan.....	26	5	0	0
Rizal.....	100	50	2	31
Romblon.....	3	3	1	0
Samar.....	19	5	2	0
Sorsogon.....	22	15	2	1
Sulu.....	7	3	0	0
Surigao.....	9	6	0	1
Tarlac.....	21	17	3	5
Tayabas.....	18	16	2	5
Zambales.....	23	7	3	2
Zamboanga.....	23	11	0	0
Total.....	2,166	927	66	262

TABLE 26.—*Showing the summary of Table 25*

Negative lepers remaining in the Provinces.....	2,166
Reported died.....	66
Relapses.....	262
Total.....	2,494

TABLE 27.—*Showing the number of insane*

INSULAR PSYCHOPATHIC HOSPITAL		INSULAR PSYCHOPATHIC HOSPITAL—continued	
Total number of insane at the beginning of the year.....	403	Total number of insane discharged—Contd.	
Male.....	171	Unimproved.....	71
Female.....	232	Died.....	41
Total number of insane admitted during the year.....	863	Total number of insane transferred or absconded.....	106
Male.....	610	Total number of insane remaining at the end of the year.....	836
Female.....	253	Male.....	572
Total number of insane discharged.....	324	Female.....	264
Cured.....	74		
Improved.....	138		

TABLE 27.—Showing the number of insane—Continued.

SAN LAZARO HOSPITAL		CITY SANATORIUM—continued	
Total number of insane at the beginning of the year (male).....	354	Unimproved.....	23
Total number of insane admitted during the year (male).....	72	Died.....	27
Total number of insane discharged, died, and absconded.....	103	Total number of insane transferred or absconded.....	2
Discharged.....	89	Total number of insane remaining at the end of the year.....	227
Died.....	14	Male.....	94
Absconded.....	0	Female.....	133
Total number of insane transferred.....	282	BILIBID PRISON INSANE WARD	
Total number of insane remaining at the end of the year.....	41	Total number of insane at the beginning of the year.....	13
CITY SANATORIUM		Male.....	11
Total number of insane at the beginning of the year.....	203	Female.....	2
Male.....	82	Total number of insane admitted during the year.....	43
Female.....	121	Male.....	42
Total number of insane admitted.....	296	Female.....	1
Male.....	147	Total number of insane discharged (cured, improved, unimproved, or died).....	33
Female.....	149	Male.....	32
Total number of insane discharged.....	270	Female.....	1
Cured.....	199	Total number of insane transferred.....	3
Improved.....	21	Male.....	3
		Female.....	0

TABLE 28.—Financial data for 1930 annual report—comparative statement of the appropriations and expenditures of the Philippine Health Service for the years 1929 and 1930

Item	Appropriations		
	1929	1930	Increase or (decrease)
Salaries and wages: Subtotal for salaries and wages.....	₱1,002,986.00	₱1,013,186.00	₱10,200.00
Miscellaneous expenses: Subtotal for miscellaneous expenses.....	1,971,774.00	1,980,774.00	9,000.00
Furniture and equipment: Purchase of furniture and equipment.....	25,000.00	22,500.00	(2,500.00)
Special appropriations: Subtotal for special appropriations.....	1,040,600.00	1,310,600.00	270,000.00
Grand total.....	4,040,360.00	4,327,060.00	286,700.00

Item	Expenditures				
	1929	Jan.-Nov. 30, 1930	December, 1930 (estimate)	Total, 1930	Increase or (decrease)
Salaries and wages: Subtotal for salaries and wages.....	₱963,878.69	₱856,903.76	₱120,207.56	₱977,111.32	₱13,232.63
Miscellaneous expenses: Subtotal for miscellaneous expenses.....	1,971,774.00	1,615,649.40	359,210.07	1,974,859.47	3,085.47
Furniture and equipment: Purchase of furniture and equipment.....	25,000.00	10,059.31	12,440.69	22,500.00	(2,500.00)
Special appropriations: Subtotal for special appropriations.....	1,038,809.26	1,221,325.83	88,381.47	1,309,707.30	270,898.04
Grand total.....	3,999,461.95	3,703,938.30	580,239.79	4,284,178.09	284,716.14

NOTE.—Total appropriation for 1929 as per appropriation act, ₱4,047,296.

During the year ₱60,000 has been released for construction of provincial hospitals under Act 3361 as against ₱62,754.31 during 1929 released from the same act.

For proper comparison, the amount shown herein as appropriation for 1929 does not include the ₱40,000 (item P-300) provided for the contribution to the University of the Philippines to be spent for the operation of the school of hygiene and public health, etc., as the same was directly transferred by the bureau of audits to the University of the Philippines, and in the 1930 appropriation act for the Philippine Health Service the said item does not appear.

TABLE 29.—*Showing statement of insular aid to the specially organized Provinces for public sanitation work*

Agusan.....	P17,720.00	Nueva Vizcaya.....	P8,902.00
Batanes.....	14,000.00	Palawan.....	28,578.00
Bukidnon.....	18,580.00	Sulu.....	16,084.00
Cotabato.....	22,850.00	Zamboanga.....	15,740.00
Davao.....	14,520.00		
Lanao.....	13,260.00	Total.....	232,992.00
Mountain Province.....	62,758.00		

TABLE 30.—*Showing statement of contributions to the health fund of the regularly organized Provinces and their municipalities*

Province	Municipal	Provincial	Province	Municipal	Provincial
Abra.....	P3,400.00	P3,300.00	Marinduque.....	P10,360.00	P4,900.00
Albay.....	38,020.00	15,000.00	Masbate.....	10,578.48	4,160.00
Antique.....	13,225.00	3,150.00	Mindoro.....	9,710.00	7,128.39
Bataan.....	9,813.89	4,657.10	Nueva Ecija.....	38,940.00	36,950.00
Batangas.....	43,500.00	9,770.00	Occidental Misamis.....	15,500.00	8,500.00
Bohol.....	25,375.32	12,716.13	Occidental Negros.....	48,788.00	17,500.00
Bulacan.....	45,000.00	25,000.00	Oriental Misamis.....	19,200.00	15,400.00
Cagayan.....	27,578.00	7,237.00	Oriental Negros.....	21,000.00	8,900.00
Camarines Norte.....	7,825.00	2,670.00	Pampanga.....	37,798.29	27,000.00
Camarines Sur.....	23,000.00	11,000.00	Pangasinan.....	42,900.00	33,700.00
Capiz.....	23,000.00	11,500.00	Rizal.....	38,500.00	19,300.00
Cavite.....	31,688.45	10,500.00	Romblon.....	7,330.00	3,900.00
Cebu.....	66,000.00	30,000.00	Samar.....	30,000.00	14,000.00
Ilocos Norte.....	18,654.69	9,448.97	Sorsogon.....	17,900.00	5,440.00
Ilocos Sur.....	17,349.92	9,410.00	Surigao.....	17,000.00	7,762.00
Iloilo.....	74,034.18	26,500.00	Tarlac.....	27,000.00	12,000.00
Isabela.....	15,551.00	7,700.00	Tayabas.....	67,753.47	50,000.00
Laguna.....	33,886.08	15,660.61	Zambales.....	7,648.70	4,800.00
La Union.....	12,500.00	11,500.00			
Leyte.....	70,000.00	20,000.00	Total.....	1,067,308.47	528,060.20

TABLE 31.—Financial data for 1930 annual report—Comparative statement showing the operation of the pension and retirement fund of the Philippine Health Service during the years 1929 and 1930

	1929	1930	Increase or (decrease)
DEPOSITS AND WITHDRAWALS			
Philippine National Bank:			
Balance at the beginning of the year, Jan. 1.....			
Deposits made during the year, Jan. 1-Dec. 31.....	P106,722.85 19,398.90	P126,121.75 21,614.25	P19,398.90 2,215.35
Total money in the bank at the end of the year, Dec. 31.....	Total P126,121.75	Total P147,736.00	Total P21,614.25
Insular treasury:			
Total deposits made.....			
Withdrawals and liabilities—			
Treasury warrants drawn.....	72,888.47	82,189.11	9,300.64
Accounts payable.....	61,417.68	69,862.84	8,245.16
Net credit in the treasury at the end of the year, Dec. 31.....	11,470.79	12,526.27	1,045.48
Net deposits at the end of the year, Dec. 31.....	137,592.54	160,262.27	22,659.73
SOURCES AND DISPOSITIONS			
Surplus at the beginning of the year, Jan. 1.....			
Adjustment: Refund of prior years' 3 per cent deductions to employees.....			
Net accumulation:			
Earnings during the year, Jan. 1-Dec. 31—			
3 per cent deductions from salaries and pensions—			
Insular employees.....	1929 P17,325.77	1930 P22,658.89	19,234.41 (160.78)
Provincial employees.....	40,199.94	43,950.04	
Municipal employees.....	318.28	297.80	
Pensioners.....	2,729.70	3,192.06	
Fines collected—			
Insular employees.....	303.93	156.16	
Provincial employees.....	1,315.83	1,827.72	
Municipal employees.....	24.19	24.19	
Interest earned on bank deposits.....	4,280.25	5,920.53	
Amount disposed of during the year, Jan. 1-Dec. 31—			
Payment to living pensioners.....	42,326.46	49,892.10	11,522.69
Payment to surviving families of deceased pensioners.....	4,913.84	5,304.78	7,956.59
Balance accumulated at the end of the year, Dec. 31.....	19,234.41	22,830.51	3,596.10
Net surplus at the end of the year, Dec. 31.....	137,592.54	160,262.27	22,669.73

The pension and retirement fund of the Philippine Health Service now amounts to ₱160,262.27 as against ₱137,592.54 for 1929. Of this amount (₱160,262.27) ₱147,736 is deposited in the Philippine National Bank and ₱12,526.27 is kept in the insular treasury ready for regular payment as against ₱126,121.75 and ₱11,470.79, respectively. The monthly averages accruing to and disposed of from the fund are as follows:

	1929	1930	Increase
Earnings.....	₱5,539.56	₱6,502.28	₱962.72
Payment to pensioners.....	3,936.69	4,599.74	663.05
	1,602.87	1,902.54	299.67

There are 74 pensioners this year (1930) as against 56 of last year (1929), which are classified as follows:

	1929	1930	Increase
Physicians.....	29	32	3
Sanitary inspectors.....	22	35	13
Presidents of sanitary division (not physicians).....	5	7	2
	56	74	18
Living pensioners.....	50	66	16
Deceased pensioners.....	6	8	2
	56	74	18

BUREAU OF QUARANTINE SERVICE—STATISTICAL TABLES

TABLE 1.—Comparative tabulations of transactions at several ports and quarantine stations of the Philippine Islands

	1924	1927	1928	1929	1930
Vessels inspected.....	1,050	1,136	1,230	1,401	1,945
Persons inspected.....	125,562	163,782	177,368	183,172	252,870
Vessels fumigated and disinfected.....	392	567	488	603	454
Seamen examined for licenses.....	532	610	701	702	376
Vessels held in quarantine.....	5	11	0	4	1
Vessels at the station for treatment.....	42	14	18	13	8
Persons detained in quarantine.....	1,029	0	0	0	0
Number of pieces of baggage disinfected.....	3,428	1,520	1,118	976	522

TABLE 2.—Number of bills of health issued to vessels bound for the United States and foreign ports

Port	1927	1928	1929	1930
Manila.....	1,036	1,089	1,346	1,615
Cebu.....	256	289	390	1,149
Iloilo.....	213	209	250	348
Zamboanga.....	94	107	131	124
Jolo.....	48	63	29	47
Davao.....	74	82	164	168
Legaspi.....	13	24	29	16
Cavite.....	6	4	12	1
Olongapo.....	6	0	0	0
Total.....	1,746	1,867	2,351	3,468

TABLE 3.—*Financial statement*

Item	1926	1927	1928	1929	1930
DEBITS					
Appropriation.....	P187,014.00	P165,244.00	P165,244.00	P145,864.00	P165,164.00
Allotment by coordinating board.....	0.00	0.00	0.00	17,370.00	0.00
Total available during the year.....	187,014.00	165,244.00	165,244.00	163,234.00	165,164.00
CREDITS					
Expended during the year.....	164,977.39	129,623.73	131,870.25	138,302.92	145,739.73
Balance fixed assets allotment carried forward.....	3,757.35	0.00	0.00	0.00	0.00
Reverted to the treasury unexpended.....	18,279.26	35,620.27	33,373.75	24,931.08	20,424.27
Total.....	187,014.00	165,244.00	165,244.00	163,234.00	165,164.00
COLLECTIONS					
Collections for the year.....	4,767.30	2,362.04	2,456.56	3,580.92	2,361.53
Deposited in the treasury to unappropriated surplus.....	4,767.30	2,362.04	2,456.56	3,580.98	2,361.53

ANNUAL REPORT OF THE SECRETARY OF FINANCE

DEPARTMENT OF FINANCE,
Manila, March 28, 1931.

SIR: I have the honor to submit the following annual report of the department of finance corresponding to the year ending December 31, 1930.

The general business depression during the whole year of 1930 did not fail to hit the Philippines, although it is generally conceded that this country did not suffer, at least up to the present time, as much as most other countries, not excluding the United States.

The decline of business activity in the islands began about the middle of 1929 and it continued throughout 1930. This was largely due to the weak market for Philippine products abroad, the reduction of the yields of most of our staple products, and the further lowering of prices, which, in turn, greatly reduced the purchasing power of the inhabitants during the year under review. According to estimates, the volume of business of the country fell by 15 per cent and agricultural production by more than 10 per cent as compared with the previous year. The wholesale prices of the leading staple crops also fell by approximately 12 per cent and the export prices of important commodities showed substantial decline: Sugar, 5 per cent; copra, 12.3 per cent; coconut oil, 13.7 per cent; abaca, 26.7 per cent; cigars, 2.4 per cent; and lumber, 5.8 per cent.

The total foreign trade dropped from ₱623,214,234 in 1929 to ₱512,520,162 in 1930, or a decrease of ₱110,694,072. The value of imports was ₱246,185,907 and of exports ₱266,334,255, thus showing a balance of trade in favor of the islands of ₱20,148,348. The comparatively low prices which our products commanded in foreign markets was chiefly responsible for the considerable decline in our foreign trade. In the case of our sugar export, for instance, the quantity was increased from 695,868,138 kilos in 1929 to 743,979,730 in 1930, but in spite of the bigger quantity exported, the return in value dropped from ₱106,488,298 in 1929 to ₱104,480,451 in 1930.

As in previous years, the bulk of our foreign trade was carried on with the United States. Our trade with the mother country during the year amounted to ₱367,050,179, representing 72 per cent of our total trade, whereas in 1929 our trade with that country formed 70 per cent of the total trade. Of the above amount, ₱156,366,057 represents imports and ₱210,684,122 exports, or a trade balance of ₱54,318,065 in favor of the islands. With the exception of silk and its manufactures and vegetable products and their manufactures, the United States was the principal purveyor of all items of our imports, and, with also two exceptions, namely, knotted hemp (abaca) and copra meal or cake, the bulk of our products were sent to that country.

Our trade with all countries other than the United States also suffered a big reduction—from ₱189,097,371 in 1929 to ₱145,469,983 in 1930, or a decrease of ₱43,627,388. The relative positions of the countries in respect to the volume of their foreign trade with the islands were practically unchanged, with Japan ranking second only to the United States, and Great Britain, China, Germany, and Spain, following close behind in the order named. It may be of interest to mention in this connection that in former years the United States ranked first among our suppliers of silk and its manufactures, but in 1930 Japan wrested the local market from the former and supplied 54 per cent of the importation while the United States supplied only 24 per cent.

Over 1,500 vessels flying the colors of 14 nations arrived in and were cleared from the different ports of the islands during the year under review. These vessels represented a net tonnage of about six millions. With but two or three exceptions, the standing of the different nations in respect to the volume of cargo carried by their vessels remained unchanged during the year. American ships as in past years maintained their predominance in the foreign carrying trade of the islands, the volume of cargo carried by them constituting a little less than half of the total burden, or 44 per cent, to be exact. The total

value of the merchandise transported by their ships in 1930 was ₱226,041,880 as against ₱278,913,788 in 1929, or a decrease of ₱52,871,908. The British ships continued to hold second place, but the percentage of the cargo transported by them dropped from 28 per cent in 1929 to 24 per cent in 1930. This cargo represented a value of ₱126,065,474 in 1930 and ₱175,029,376 in 1929, or a decrease of about ₱50,000,000. The vessels under the Japanese flag ranked third, as in previous years. Vessels of this nationality are without doubt slowly but steadily making progress, for while the volume of cargo carried by them in 1929 constituted only 8 per cent of the total, they succeeded in raising it to 12 per cent in 1930. It will thus be seen that Great Britain's loss of 4 per cent proved to be Japan's gain. The values of the cargo carried were ₱64,227,544 in 1930 and ₱50,580,385 in 1929.

The Norwegian and the German ships exchanged places, the former advancing a step higher and occupying fourth place and the latter being left to occupy the fifth. The Norwegian ships carried ₱26,602,814 worth of merchandise in 1930 and ₱29,496,557 in 1929, while the German carried ₱21,010,554 in 1930 and ₱29,588,982 in 1929. The distinction for making the most notable progress during the year must go to Panama. In 1929 the total value of goods transported by vessels of this nationality was only ₱70,247, but in 1930 the value jumped up to the respectable amount of ₱9,075,688, with the result that these vessels occupied sixth place in 1930. Philippine vessels do not seem to be coming to their own, for instead of increasing their participation in this enterprise, they appear to be gradually losing ground. In 1929 our own vessels transported ₱2,098,146 worth of cargo or 0.33 per cent of the total, while in 1930 the amount was reduced to ₱1,392,854, or 0.27 per cent of the total.

The following statement shows the value of cargo carried by vessels of other nationalities during the years 1930 and 1929:

	1930	1929		1930	1929
Dutch-----	₱8,945,005	₱16,046,732	Chinese-----	₱1,460,424	₱1,949,479
Danish-----	8,301,895	15,436,053	Spanish-----	1,350,539	3,053,027
Italian-----	-----	40,668	Belgian-----	129,702	4,151
Swedish-----	6,648,255	3,973,952	French-----	14,000	247,656

The United States continued to be the best customer of Philippine products, having purchased about 79 per cent of the total exports, and was followed by Spain, Great Britain, and Japan. In the order of their importance as to value, the principal local products exported during 1930 were sugar, coconut oil, abaca, copra, tobacco products, embroideries, desiccated coconut, lumber, knotted hemp, and copra meal or cake.

Sugar continued to be the principal mainstay of our exports. This article constituted 39 per cent of our total exports. The total value sent out in 1930 was ₱104,480,451 as against ₱106,488,298 in 1929, or a decrease of 1 per cent. The trend in sugar prices was downward from February to October during the year under consideration, when a reaction was stimulated by the favorable tariff situation and lower stocks in the United States and the effort toward limitation in Cuba which prevented the big loss expected by the sugar industry of the islands. As in past years, the United States was literally the only outlet of this product, less than one-half of 1 per cent having been sent to all other countries combined.

Coconut oil constituted the second largest item of our exports. The total value exported during the year was ₱38,310,763 as against ₱58,369,883 in 1929, showing a decrease of over ₱20,000,000, or 34 per cent. The decline was largely due to wide overproduction in competing oils, especially soya bean, and the restricted industrial demand during depression. As in the two years previous, fully 99 per cent of the total export of coconut oil went to the United States, the remaining 1 per cent having been sent to China, Japan, and to the East Indies.

The total value of manila hemp exported during the year was only ₱36,853,352 as against ₱56,841,100 in 1929, showing a decrease of nearly ₱20,000,000, or 35 per cent. The total value exported in 1930 was the lowest ever recorded since the year 1922 on account of local overproduction, abundance of substitute fibers in the world's markets, and restriction of output of elaborated products. The three principal markets for this product are the United States, Great Britain, and Japan.

As in the case of abaca, the total value of copra exported during the year was the lowest ever registered since the year 1922. The total value exported was ₱26,866,875, compared with ₱31,131,641 in 1929, or a decrease of 14 per cent. The decrease was attributed to the general overproduction of coconut oil and other industrial and edible vegetable oils and to the decreased output of the elaborated products. Seventy-nine per cent of our export went to the United States, 18 per cent to Spain, and the remainder to other countries.

Our tobacco export has been steadily on the decrease since the year 1919, when it reached the immense sum of over ₱31,000,000. The total value of the exportation in 1930 was only ₱15,672,771 as against ₱17,579,888 in 1929, thus showing a decrease of nearly ₱2,000,000, or 11 per cent. Our principal markets for this product are the United States and Spain.

A decrease of nearly ₱5,000,000, or 40 per cent, was registered in the exportation of embroideries, the total value of our exports in 1930 being only ₱7,183,473 as against ₱12,023,065 in 1929. Practically the whole item was exported to the United States, only a little over 1 per cent having been shipped to Hawaii and other countries. It is obvious, then, that the unsatisfactory economic condition in the United States was responsible for the unhealthy condition of the Philippine embroidery industry.

Desiccated coconut constitutes, as in previous years, 2 per cent of our total exports. The value exported in 1930 was ₱5,925,689 as against ₱7,080,247 in 1929, or a decrease of over ₱1,000,000, or 16 per cent. Practically the entire output was sent to the United States, the negligible portion of one-tenth of 1 per cent having been sent to Hawaii. There are now five companies manufacturing desiccated coconut in the Philippines but not all of them were operating throughout the year.

For the first time since 1923 our lumber export suffered a decrease in 1930, the amount exported being only ₱5,486,784 as against ₱7,237,918 in 1929, resulting in a decrease of ₱1,751,134, or 24 per cent. Some reasons for this decline in the exportation of lumber were the completion of reconstruction in Japan, low rate of silver in China, and higher tariffs in Australia, together with the lower takings in the United States on account of restricted construction.

Of the principal exports of the islands in 1930, knotted hemp was the only item where an increase was registered over the preceding year. The total value exported was ₱3,914,368 in 1930 as against ₱3,129,803 in 1929, thus showing a substantial increase of 21 per cent. Unlike the other items constituting our exports, the principal market for this product was Italy and not the United States, over 80 per cent having been shipped to the former during the year 1930. The remaining 20 per cent was exported mainly to France and the United States.

A decrease of exactly 50 per cent was registered in copra meal or cake, value of our exportation having dropped from ₱7,585,573 in 1929 to ₱3,784,449 in 1930. As in the case of knotted hemp, the principal market for this product is not the United States, but Germany, about two-thirds of the entire output having been sent to the latter during the year. Seventeen per cent went to the United States, 10 per cent to Sweden, and the remainder to other countries.

The total value of the local products exported other than the 10 principal exports listed above dropped from ₱20,458,615 in 1929 to ₱17,855,280 in 1930, resulting in a difference of ₱2,603,335, or 13 per cent.

On account of the comparatively low purchasing power of the people during 1930, a decrease was registered in all the principal articles imported with the single exception of electrical machinery, appliances, and apparatus, in which item a substantial increase of 31 per cent over the preceding year was recorded. However, an encouraging feature of last year's returns and one that can not escape attention was the enormous decrease in our import of rice; so much so that this item which was the sixth in the list of principal articles imported in 1929 was not even counted among the ten principal imports in 1930. The value of rice imported dropped from ₱11,620,026 in 1929 to ₱1,511,619 in 1930, resulting in a decrease of ₱10,108,407, or 87 per cent. This indicates that the country is becoming more or less self-supporting in a commodity upon which the subsistence of the Filipinos largely depend. The increase in our import of electrical machinery, appliances, and apparatus, should likewise be a source of gratification, for it is another indication of the progress of our people.

Of the articles imported by the islands, almost 64 per cent, or ₱156,366,057, originated from the United States. This amount was ₱28,819,860 less than that recorded for 1929. In the order of their importance as to value, the principal imports of the year were iron and steel and their manufactures, cotton

goods, mineral oils, automobiles and their parts, meat and dairy products, electrical machinery, apparatus and appliances, wheat flour, silk (natural and artificial) and its manufactures, paper and its manufactures, and vegetable fibers and their manufactures.

In spite of the adverse economic condition of the islands during 1930, due to the world-wide business depression, the finances of the country were not in a precarious situation. The government, by adhering to its policy of strict economy, did not only succeed in having both ends meet, but it was also able to have a comfortable margin, and the conservative and sound banking policy adopted by the banks in the islands prevented serious embarrassments in this line of business. The banks experienced some difficulties in collection and credit was carefully scrutinized, but the lack of supply of money was not felt.

The currency circulation of the islands on December 31, 1930, was ₱109,153,404.415, or a decrease of ₱15,019,665.250, as compared with that of the same date of the preceding year, when the circulation was ₱124,178,069.665. The withdrawal from circulation of some bank notes of the Philippine National Bank and of the Bank of the Philippine Islands was partly responsible for the reduction of currency circulation.

With the exception of the San Fernando and Tarlac branches of the Peoples Bank & Trust Co., which began operation on May 20, 1930, and July 1, 1930, respectively, there has been no other addition to the list of banks and trust companies as reported in 1929. The relative position of the banks in 1930, compared with the previous year, remained practically unchanged, although the combined resources of banks and trust companies decreased by over ₱10,000,000 and the aggregate deposits fell by less than ₱2,000,000.

The insurance companies doing business in this country on December 31, 1930, aggregated 93 as against 81 for 1929. Of these, 8 were domestic, 32 American, and 53 foreign. The volume of business transacted during the year 1930 by all insurance companies, except life, amounted, in round figures, to ₱688,943,000, with a net premium income of ₱6,626,000, as compared with ₱889,891,000 and ₱7,026,000, respectively, the corresponding figures for the preceding year.

The gold standard fund, which, according to Act No. 3058, shall be maintained in a sum not less than 15 per cent of the money of the government of the Philippine Islands in circulation and available therefor, was maintained throughout the year over the minimum limit. The cash balance of the gold standard fund amounted on December 31, 1930, to ₱34,242,210.82, which represents about 28.82 per cent of the money of the Philippine Islands in circulation and available for circulation, or about 3.82 per cent more than the 25 per cent maximum of the fund.

The treasury certificate fund takes care of the redemption at par of the treasury certificates issued. Its balance amounted to ₱97,922,396 on December 31, 1930. This amount represented the 100 per cent of all treasury certificates in circulation and available for circulation. It consisted of silver coins to the amount of ₱13,007,289 and United States gold coins in the sum of ₱3,700,000 and of gold deposits in member banks of the Federal Reserve System in the United States to the amount of ₱81,215,107.

The following tables show the income, expenditures, and current surplus of the insular government for 1930 as compared with 1929, segregated by funds, viz, general fund, special fund, and bond fund:

GENERAL FUND—COMPARATIVE BUDGET STATEMENT

Items	Fiscal year—	
	1930	1929
Income:		
Revenue from taxation—		
Import duties.....	P17,341,385.56	P21,067,524.33
Excise tax.....	15,550,861.70	16,758,591.38
License and business tax.....	19,187,604.34	21,953,887.02
Wharfage charges.....	3,050,639.03	3,069,302.15
Franchise tax.....	183,203.32	181,760.48
Documentary stamp tax (internal revenue).....	838,601.44	916,989.03
Documentary stamp tax (customs revenue).....	737,733.62	718,467.72
Income tax.....	4,340,916.82	4,773,096.54
Immigration tax.....	401,488.00	338,512.00
Tonnage dues.....	456,320.79	464,403.35
Inheritance tax.....	1,011,717.33	643,405.54
Apportionment of internal revenue to local government.....	3,164,083.55	3,164,083.55
	60,436,838.40	67,721,855.99
Incidental revenue—		
Revenue from public forests.....	1,762,407.66	1,861,185.53
United States internal revenue.....	643,584.32	672,200.59
Fines and forfeitures.....	686,215.58	737,646.66
Sales of public domain.....	107,805.77	87,540.23
Others.....	57,965.10	62,870.31
	3,257,978.43	3,421,443.32
Earnings and other credits—		
Operating income of commercial and industrial units.....	7,905,844.89	7,765,084.51
Other income of operating units.....	83,617.57	98,576.39
Income incidental to functional activities.....	3,751,357.73	3,756,561.29
Interest on bank deposits.....	1,740,609.48	1,770,340.87
Sales of fixed property.....	28,375.99	42,056.87
Sales of mortgaged property and collection of agricultural bank loans.....	15,000.00	908.06
Repayment of advances to Philippine Railway Co.....	316,713.43	361,123.06
Repayment of advances to Manila Railroad Co.....	250,000.00	250,000.00
Collection of local government loans.....	242,886.11	330,556.67
Repayment of loans from the currency reserve fund.....	2,500.00	-----
Repayment of Philippine National Bank losses.....	2,260,332.24	2,173,030.29
Proceeds of Manila Hotel Co. bonds redeemed.....	-----	100,000.00
Surplus transferred from—		
Land title assurance fund.....	49,626.22	36,199.36
Fidelity insurance fund.....	92,704.00	57,177.33
Friar lands estate account.....	510,476.19	707,687.22
San Lazaro estate account.....	152,981.37	157,831.45
Tobacco fund (plant industry).....	368.17	-----
Bohol Filipino Colony.....	1.80	-----
Seed farms.....	1,943.42	-----
Benguet Auto Line.....	278,537.72	-----
	17,683,876.33	17,607,133.37
Credit adjustments, prior year—		
Repayments to prior year's expense.....	2,133,339.14	669,933.75
Inventory adjustments (sales stock and supplies and materials).....	387,559.99	23,240.22
	2,520,899.13	693,173.97
Total income.....	83,899,142.29	89,443,606.65
Expenditures:		
Revenue service—		
Expense of revenue collection.....	1,890,942.96	1,916,944.70
Operating expense of commercial and industrial units.....	7,113,559.22	7,223,523.45
	9,004,502.18	9,140,468.15
Debt service—		
Interest and exchange on public debt.....	5,921,198.85	6,188,726.69
Contribution to sinking funds of insular bonds.....	4,001,885.12	3,655,259.78
Additional contribution to sinking fund for the redemption of the Manila port works bonds, Act 3529.....	9,270,753.78	-----
Incidental expenses for the redemption of the Manila port works bonds, Act 3529.....	83,203.51	-----
	19,277,041.26	9,843,986.47

GENERAL FUND—COMPARATIVE BUDGET STATEMENT—Continued

Items	Fiscal year—	
	1930	1929
Expenditures—Continued.		
General welfare service—		
Legislation.....	P2, 012, 333. 61	P1, 949, 059. 42
Executive direction and control.....	2, 056, 816. 00	2, 247, 799. 33
Adjudication.....	3, 149, 752. 24	2, 874, 796. 54
Law and order.....	5, 504, 392. 13	5, 555, 731. 92
Public health.....	5, 018, 052. 10	4, 782, 764. 83
Protection against force majeure.....	213, 695. 54	233, 999. 76
Regulation of public utilities.....	122, 149. 50	132, 044. 00
Other protective service.....	104, 366. 86	103, 198. 43
Public education.....	6, 871, 454. 18	6, 832, 126. 98
Public correction.....	927, 293. 02	1, 058, 973. 65
Public charities.....	819, 537. 39	764, 009. 68
Conservation of natural resources.....	786, 885. 71	757, 713. 90
Development of commerce.....	3, 107, 514. 27	2, 673, 484. 19
Development of agriculture.....	2, 945, 361. 52	3, 122, 680. 81
Development and improvement of animal industry.....	656, 807. 58	
Philippine publicity.....	129, 679. 59	47, 844. 86
Development of industrial arts and sciences.....	537, 237. 28	543, 995. 11
Other economic development.....	292, 073. 92	288, 907. 70
Aid to local governments.....	19, 124, 016. 48	19, 618, 894. 56
	54, 379, 418. 92	53, 588, 025. 67
Outlays and investments—		
Purchase and construction of public works.....	1, 822, 968. 44	1, 318, 433. 53
Purchase and construction of equipment.....	1, 635, 670. 94	804, 184. 08
Advances to railway companies under guaranty contract.....	687, 288. 40	689, 552. 20
Purchase of private shares of the Philippine National Bank stock.....	7, 000. 00	4, 300. 00
Purchase of Manila Railroad Co. stock.....	1, 000, 000. 00	1, 000, 000. 00
Purchase of National Coal Co. stock.....	1, 900. 00	
	5, 154, 827. 78	3, 816, 469. 81
Extraordinary charges—		
Retirement gratuities, Act 2589 as amended.....	246, 124. 63	204, 925. 41
Pension, Act 2922.....	12, 000. 00	12, 000. 00
Expenses of issue and sale of bonds.....	3, 121. 22	6, 350. 35
	261, 245. 85	223, 275. 76
Debit adjustments, prior year—		
Accounts receivable written off.....	2, 683. 50	5, 532. 82
Transfer of funds—		
University of the Philippines.....	1, 876, 696. 07	1, 876, 000. 00
Cadastral survey fund (restoration of reverted income).....	249, 130. 75	123, 080. 15
Los Baños quarry.....		120, 000. 00
Seed farms.....	27, 204. 52	
Andres Bonifacio Monument fund.....		97, 000. 00
Revolving fund for construction of permanent bridges.....	5, 000, 000. 00	
	7, 153, 031. 34	2, 216, 080. 15
Total expenditures.....	95, 232, 750. 83	78, 833, 838. 83
Increase (decrease) in surplus during the year:		
Surplus from current year's revenue.....	6, 761, 487. 44	13, 042, 497. 51
Surplus from previous year's revenue.....	18, 095, 095. 98	2, 432, 129. 69
	11, 833, 608. 64	10, 609, 767. 82
Add—Surplus, Jan. 1.....	51, 789, 035. 285	41, 179, 267. 465
Surplus, Dec. 31:		
Appropriated.....	5, 412, 098. 27	4, 612, 614. 09
Unappropriated.....	35, 043, 328. 475	47, 176, 421. 195
	40, 455, 426. 745	51, 789, 035. 285

SPECIAL FUND—COMPARATIVE STATEMENT OF RECEIPTS AND EXPENDITURES

Items	Fiscal year—	
	1930	1929
Income:		
Revenue from taxation—		
Excise tax.....	P4,043,416.22	P3,997,957.68
Apportionment of highways special fund.....	4,043,416.22	3,997,957.68
License and business tax.....	1,991,601.20	1,324,197.70
Apportionment of motor-vehicle fund, Act 3045.....	1,857,464.51	1,186,864.17
	134,136.89	137,333.53
Earnings and other credits—		
Fines and forfeitures.....	28,357.51	27,417.82
Sales of supplies and materials.....	22,491.59	18,322.55
Sales of crushed rocks.....	102,781.53	119,471.76
Income from rentals.....	55,863.05	52,477.74
Interest on deferred payments and on investments and securities.....	408,058.65	401,658.44
Service income.....	1,038,367.63	862,500.95
Sales of fixed property.....	19,813.21	35,205.23
Sales of San Lazaro real estate.....	16,478.00	44,567.00
Prior year adjustments.....	35,069.19	47,810.21
Sales of friar lands real estates.....	62,039.90	30,910.35
Inspection of tobacco.....	144,398.33	177,087.70
Premium on property insurance.....	123,742.93	125,574.31
Premium on surety bonds.....	22,947.92	34,111.31
Voluntary contributions from the public.....	87,553.44	63,200.00
Inventory adjustments.....	140.33	2,490.51
Incidental receipts.....	84,711.33	45,888.24
Production income.....	50,212.52	-----
Repayment of real estate mortgage loans.....	473,964.35	487,924.15
Repayment of cadastral survey loans.....	60,326.78	70,319.28
Repayment of loans to Provinces and municipalities.....	390,005.01	317,297.49
	3,227,323.20	2,964,635.04
Total income.....	3,361,460.09	3,101,968.57
Appropriation from the general fund—		
University of the Philippines.....	1,879,500.00	1,876,000.00
Cadastral survey fund (restoration of reverted income).....	249,130.75	123,080.15
Los Baños quarry.....	-----	120,000.00
Andres Bonifacio Monument.....	-----	97,000.00
Revolving fund for construction of permanent bridges.....	5,000,000.00	-----
Seed farms.....	27,204.52	-----
Total appropriations.....	7,155,835.27	2,216,080.15
Reversion of surplus appropriations.....	96,144.37	-----
Net appropriations.....	7,059,690.90	2,216,080.15
Total receipts.....	10,421,150.99	5,318,048.72
Expenditures:		
Salaries.....	1,892,629.37	1,626,920.02
Wages.....	628,645.52	517,501.66
Travel expenses of personnel.....	81,864.44	82,620.39
Freight, express, and delivery service.....	24,318.50	23,409.11
Postal, telegraph, telephone, radio, and cable service.....	35,289.36	21,792.85
Illumination and power service.....	30,042.22	26,343.59
Miscellaneous service.....	218,171.04	155,103.06
Rental of buildings and grounds.....	28,221.74	23,268.53
Consumption of supplies and materials.....	535,682.73	437,159.55
Printing and binding reports, documents, and publications.....	32,491.10	20,297.28
Cash contribution and gratuities (other than to local governments).....	87,304.57	55,375.20
Discretionary expenditures.....	1,408.11	1,053.25
Travel expense of persons not Government employees.....	387.31	76.41
Maintenance and repair of plant and equipment.....	78,192.47	63,528.99
Purchase of equipment.....	205,484.87	189,665.48
Purchase and construction of public works.....	920,027.24	128,411.05
Real-estate mortgage loans—San Lazaro estate.....	430,220.66	323,611.16
Real-estate mortgage loans—Friar lands estates.....	27,460.00	40,180.00
Loan to Provinces and municipalities.....	828,600.00	309,000.00
Extraordinary losses.....	592.46	949.27
Property insurance losses.....	20,337.04	62,229.65

SPECIAL FUND—COMPARATIVE STATEMENT OF RECEIPTS AND EXPENDITURES—
Continued

Items	Fiscal year—	
	1930	1929
Expenditures—Continued		
Shortages and losses paid	P19,754.60	P31,175.01
Deterioration of supplies and sales stock	17,695.18	21,778.24
Losses—Uncollectible debts	41.75	
Loans to corporations of private surveyors	108,570.00	342,600.00
Purchase of land	97,750.33	112,634.88
Cash contributions to local governments	1,056.17	39.13
Apportionment of motor-vehicle fund		249,205.67
Apportionment of highways special fund		191,359.64
Total expenditures	6,352,238.78	5,147,288.98
Increase in surplus during the year	4,068,912.21	170,759.74
Add—Surplus, Jan. 1	6,301,367.74	6,130,608.00
Deduct cadastral survey income in previous years erroneously reverted	612,459.78	
	5,688,907.96	6,130,608.00
Surplus, Dec. 31	9,757,820.17	6,301,367.74

BOND FUND—COMPARATIVE STATEMENT OF INCOME AND EXPENDITURES

Balance, Jan. 1:		
Financial interests protection, Act 2999—		
Balance (unassigned)	P10,156,000.00	P10,156,000.00
Manila port works, Act 2908—		
Unreleased appropriation	268,772.16	1,023,772.16
Released appropriation	1,000,961.31	342,385.69
Irrigation systems, Act 2940—		
Unreleased appropriation	4,756,838.96	6,431,838.96
Released appropriation	1,847,441.37	895,254.73
Cebu port works and improvements, Act 3413	1,803,871.48	1,598,000.00
Iloilo port works and improvements, Act 3417	1,911,874.50	1,592,385.00
	21,745,759.78	22,037,636.54
Income:		
Proceeds of bonds, Act 3413	1,774,235.00	824,500.00
Proceeds of bonds, Act 3417	2,432,082.50	533,500.00
Proceeds of the Metropolitan water district investment bonds, Act 3255	3,015,362.54	
Transfers—		
Manila port works, Act 2908—		
Released appropriation		755,000.00
Unreleased appropriation		755,000.00
Irrigation systems, Act 2940—		
Released appropriation	477,000.00	1,675,000.00
Unreleased appropriation	477,000.00	1,675,000.00
	7,221,680.04	1,358,000.00
Total opening balance and income	28,967,439.82	23,395,636.54
Expenditures:		
Construction and equipment of piers, and other works, Act 2908	210,550.38	96,424.38
Construction of irrigation system, Act 2940	659,951.42	719,889.11
Advances for completion of legislative building, Act 2940	5,310.67	2,924.25
Purchase of the Metropolitan water district bonds, Act 3255	3,015,362.54	
Construction and improvement of Cebu port, Act 3413	1,250,330.32	616,628.52
Construction and improvement of Iloilo port, Act 3417	993,230.68	214,010.50
	6,124,114.67	1,649,876.76
Balance, Dec. 31:		
Financial interests protection, Act 2999—		
Balance (unassigned)	10,156,000.00	10,156,000.00
Manila port works, Act 2908—		
Unreleased appropriation	268,772.16	268,772.16
Released appropriation	790,410.93	1,000,961.31
Irrigation systems, Act 2940—		
Unreleased appropriation	4,279,838.96	4,756,838.96
Released appropriation	1,669,800.62	1,847,441.37
Cebu port works, Act 3413	2,327,776.16	1,803,871.48
Iloilo port works, Act 3417	3,350,726.32	1,911,874.50
	22,843,325.15	21,745,759.78

Among the income items shown in the general fund budget statement are included some extraordinary receipts, amounting to ₱2,260,332.24 in 1930 and ₱2,173,030.29 in 1929. These are the repayments of Philippine National Bank losses. These items, when deducted from the total income given in the statement, will leave a total of regular income of ₱81,638,810.05 for 1930 and ₱87,270,576.36 for 1929, or a decrease of ₱5,631,766.31. The decrease is due to the considerable falling off of collections in import duties, excise tax, and license and business tax in 1930, which is traceable to the general business depression affecting the country.

Likewise, among the expense items are included some important extraordinary expenditures amounting to ₱15,353,957.29 in 1930 and ₱1,000,000 in 1929. These items, which are ₱9,270,753.78 for additional contribution to sinking fund for the redemption of the Manila port works bonds, Act 3529, ₱83,203.51 for incidental expenses for the redemption of said bonds, ₱1,000,000 for purchase of Manila Railroad Co. stock, and ₱5,000,000 revolving fund for construction of permanent bridges, or a total of ₱15,353,957.29 for 1930 and ₱1,000,000 for purchase of Manila Railroad Co. stock for 1929, when deducted from the total expenditures shown in the statement, will leave a total of regular expenditures of ₱79,878,793.54 for 1930 and ₱77,833,838.83 for 1929, or an increase of ₱2,044,954.71. This increase is caused by larger expenditures made for economic development, education, and health.

As shown by the general fund statement, there was a surplus of ₱40,455,426.74 on December 31, 1930. From this amount, however, there should be deducted the sum of ₱27,722,205.99 made up by the following items: Estimated yearly outstanding appropriations, ₱3,500,000; net continuing assets, ₱16,000,000; advances to money order fund, ₱6,500,000; and the unexpended balance of the allotment for construction of Government center under Act. No. 3597, ₱1,722,205.99, thus leaving a net unappropriated surplus of ₱12,733,220.75 at the end of the year 1930.

The special fund statement covers continuing appropriations or funds whose unexpended balances do not revert to the general fund at the end of the year, but remain available until exhausted or until otherwise provided by legislative enactment. In this statement it will be noted that the total receipts during 1930, amounting to ₱10,421,150.99, are greater by ₱5,103,102.27 over those during 1929. This is explained by the creation of the ₱5,000,000 revolving fund for the construction of permanent bridges during the year 1930. This amount causes the increase of surplus from ₱6,301,367.74 at the end of the year of 1929 to ₱9,757,820.17 at the end of the year 1930 in spite of the increase of expenditures by ₱1,204,949.80 during the same year.

The total amount of bonds issued by the Philippine government up to December 31, 1930, is ₱186,804,000. Deducting from this sum the amount of ₱14,217,000 representing collateral bonds issued against provincial and municipal bonds held by the insular government, the bonded indebtedness of the Philippine government on December 31, 1930, would be ₱172,587,000. Of this amount, ₱148,950,000 were obligations of the insular government and the balance of ₱23,637,000 were obligations of the provincial and municipal governments.

The debt limit of the insular government as provided in section 11 of the Jones law, as amended, is an amount equal to 10 per cent of the assessed value of the taxable property of the country at any one time, excluding the bonds issued for the purchase of the friar lands estates amounting to ₱14,000,000. The total assessed valuation of the taxable property of the islands as of December 31, 1930, amounted to ₱1,903,389,338. Under this basis the insular government is, therefore, authorized to incur a total indebtedness of ₱190,338,933. In addition to this, the insular government is also authorized to issue collateral bonds not exceeding ₱20,000,000, secured by an equivalent amount of bonds issued by provincial and municipal governments.

The bonded indebtedness has decreased by ₱5,050,000 during the year 1930 in spite of the sale of ₱1,650,000 worth of Iloilo port works and improvements bonds under Act No. 3413, ₱2,300,000 worth of Iloilo port works and improvements bonds under Act No. 3417, and ₱3,000,000 worth of metropolitan water district purchase bonds under Act No. 3255. The decrease is due to the redemption on September 2, 1930, of the Manila port works and improvement bonds amounting to ₱12,000,000, pursuant to Act No. 3529.

The above bond fund statement shows that the balance of the proceeds of the sale of insular bonds amounted to ₱22,843,325.15 on December 31, 1930, as compared with ₱21,745,759.78 on December 31, 1929, or an increase of ₱1,097,565.37 in 1930.

According to law, sinking funds are kept for the redemption of the bonds upon maturity. For the sum of ₱148,950,000 worth of bonds issued by the insular government, sinking funds amounting to ₱43,920,863.29 are set aside, and for the bonds issued by the provincial and municipal governments, amounting to ₱23,637,000, the total amount of sinking funds set aside is ₱7,728,848.90.

A review of the finances of the government would not be complete without considering its activities in business enterprises in view of the vast amount of money invested in the same.

The activities of the National Development Co. during the year 1930 were limited to the supervision of its investments. The total paid-up capital of the company as of December 31, 1930, amounted to ₱5,936,000, or a decrease of ₱100 over that as of December 31, 1929. This decrease of ₱100 represents the one share of stock returned by ex-member of the board of directors, Hon. Salvador Laguda. The important investment of the company amounted to ₱4,845,448.93, and is distributed as follows: Cebu Portland Cement Co., ₱2,750,000; coal department of the National Development Co. (formerly National Coal Co.), ₱1,675,126.13; National Coal Co. liquidation account, ₱131,983.90; and Sabani estate (net cost), ₱288,338.90.

The investment in the Cebu Portland Cement Co. represents the sum invested in the purchase of shares of stock of the said company. On account of said shares, the National Development Co. received a dividend of ₱137,475 for 1929. The Cebu Portland Cement Co. is operating at a good profit. Its net profit for 1930 was ₱585,885.75, or approximately 22 per cent of its outstanding capital stock, as compared with its net profit of ₱660,110.01 for 1929, or 24 per cent of its capital stock.

The investment in the coal department of the National Development Co. consists of advances made to the National Coal Co., which was taken over by the National Development Co. The operation of the coal department for 1930 resulted in a loss of ₱27,115.87.

The investment shown as National Coal Co. liquidation account in the sum of ₱131,983.90 consists of payments affected by the National Development Co. to liquidate the pending obligations of the former National Coal Co.

The investment in the Sabani estate represents the purchase price of said estate. The receipts during 1930 from the Sabani estate were ₱12,274.19, and the expenses for taxes were ₱4,232.72, leaving an excess of receipts over expenses of ₱8,041.47.

Considering the depressed economic condition of the country, the result of the operation of the Philippine National Bank in 1930 was rather satisfactory, for it was able to obtain a total net income of ₱2,786,021.60. This was 30 per cent less than in 1929, when the institution realized a net income of ₱3,986,736.97.

As is to be expected, the operation of the Manila Railroad Co. was also affected by the business depression, as shown in the big reduction of its net income, for the net income of the company for 1930 was ₱1,111,581.47, as compared with ₱3,160,231.49 for 1929. However, it was able to pay the sum of ₱250,000 to the government to complete the payment of the funds advanced to pay the interest of the bonds of the company guaranteed by the government.

More detailed information is furnished herein of the activities of the five bureaus under the jurisdiction of this department.

BUREAU OF CUSTOMS

CUSTOMS RECEIPTS AND EXPENDITURES

The total net customs collections for the year 1930 amounted to ₱22,843,004.73, as against ₱26,056,232.72 in 1929, thus resulting in a decrease of ₱3,213,227.99. The reduction in our collections was principally due to the decrease in our imports, the decrease in import duties alone amounting to as much as ₱3,091,179.54. As will be noticed later, a decrease was registered in all of the principal articles imported with the single exception of electrical machinery, appliances, and apparatus, in which item a substantial increase of 31 per cent over the preceding year was recorded. The value of rice imported dropped from ₱11,620,026 in 1929 to ₱1,511,619 in 1930, or a decrease of ₱10,108,407. As an inevitable outcome of the decrease in the collections, a slight increase

was registered in the cost to the service for collecting a peso of customs revenue, the cost of collection per peso going up from ₱0.044 in 1929 to ₱0.51 in 1930.

A comparative statement of the total customs collections during the years 1930 and 1929, by ports and by sources, is given below:

BY PORTS

	1930	1929	Increase (+) or decrease (-)
Manila.....	₱19,151,383.13	₱20,562,965.04	- ₱1,411,581.91
Iloilo.....	1,974,863.24	1,976,479.40	-1,616.16
Cebu.....	1,649,441.50	3,136,773.40	-1,487,331.90
Jolo.....	100,648.34	118,623.74	-17,975.40
Zamboanga.....	204,550.94	343,962.09	-139,411.15
Davao.....	357,413.71	349,861.08	+7,552.63
Legaspi.....	71,636.06	155,314.23	-83,678.17
Total.....	23,509,936.92	26,643,978.98	-3,134,042.06

BY SOURCES

Import duties.....	₱18,243,861.39	₱21,335,040.93	- ₱3,091,179.54
Wharfage.....	3,057,447.61	3,069,785.15	-12,337.54
Immigration dues.....	433,808.00	369,088.00	+64,720.00
Tonnage dues.....	456,474.62	464,806.83	-8,332.21
Customs stamps.....	738,033.62	718,535.72	+19,497.90
Fines and forfeitures.....	69,506.09	76,795.23	-7,289.19
Storage.....	36,025.48	43,876.49	-7,851.01
Surplus, auction sales.....	3,270.17	8,113.62	-4,843.45
Arrastre collections.....	7,427.18	8,825.69	-1,398.51
Government Pier collections.....	169,618.66	175,119.18	-5,500.52
Various other sources.....	294,464.10	373,992.09	-79,527.99
Total.....	23,509,936.92	26,643,978.98	-3,134,042.06
Refunds.....	666,932.19	587,746.26	+79,185.93
Net total.....	22,843,004.73	26,056,232.72	-3,213,227.99

INTERNAL REVENUE COLLECTIONS

The internal revenue taxes collected by this bureau during the year on imported articles subject to this tax amounted to ₱4,177,455.39 in 1930, as against ₱4,513,003.63 in 1929, thus showing a decrease of ₱335,548.24. This was due to the decreased importations of articles subject to the payment of internal revenue tax.

HIGHWAYS SPECIAL FUND COLLECTIONS

The internal revenue tax collected on imported lubricating oils, naphtha, gasoline, and all other lighter products of distillation registered a substantial increase, the amount collected during the year having reached the sum of ₱4,043,416.22, as against ₱3,997,957.68 in 1929, thus showing an increase of ₱45,458.54. Under Act No. 3248, passed in 1926, the tax collected on these products constitutes a separate fund known as "Highways special fund," to be expended exclusively in the construction, maintenance, and improvement of insular and provincial roads and bridges.

FOREIGN COMMERCE

The total foreign trade dropped from ₱623,214,234 in 1929 to ₱512,520,162 in 1930, or a decrease of ₱110,694,072. The value of imports was ₱246,185,907 and of exports ₱266,334,255, thus showing a balance of trade in favor of the islands of ₱20,148,348. The comparatively low prices which our products commanded in foreign markets was chiefly responsible for the considerable decline in our foreign trade. In the case of our sugar export, for instance, the quantity was increased from 695,868,138 kilos in 1929 to 743,979,730 in 1930, but, in spite of the greater quantity exported, the return in value dropped from ₱106,488,298 in 1929 to ₱104,480,451 in 1930.

TRADE WITH THE UNITED STATES

As in previous years, the bulk of our foreign trade was carried on with the United States. Our trade with the mother country during the year amounted to ₱367,050,179, representing 72 per cent of our total trade, whereas in 1929 our trade with that country formed 70 per cent of the total trade. Of the above amount, ₱156,366,057 represent imports and ₱210,684,122 exports, or a trade balance of ₱54,318,065 in favor of the islands. With the exception of silk and its manufactures and vegetable products and their manufactures, the United States was the principal purveyor of all items of our imports, and, with also two exceptions, namely, knotted hemp (abaca) and copra meal or cake, the bulk of our products were sent out to that country.

TRADE WITH OTHER COUNTRIES OTHER THAN THE UNITED STATES

Our trade with all countries other than the United States also suffered a slight decrease; from ₱189,097,371 in 1929 to ₱145,469,983, in 1930, or a decrease of ₱43,627,388. The relative positions of the countries in respect to the volume of their foreign trade with the islands were practically unchanged, with Japan ranking second only to the United States, and Great Britain, China, Germany, and Spain, following close behind in the order named. It may be of interest to mention in this connection that in former years the United States ranked first among our suppliers of silk and its manufactures, but in 1930 Japan wrested the local market from the former and supplied 54 per cent of the total importation while the United States, only 24 per cent. The origin of our imports and the destination of our exports are shown in the following table:

Countries of origin of imports and destination of exports	1930		1929	
	Imports	Exports	Imports	Exports
United States.....	₱156,566,057	₱210,684,122	₱185,185,917	₱248,930,946
Hawaii.....	530,972	713,553	1,147,467	660,974
Guam.....	64,067	357,399	163,346	373,678
Porto Rico.....		10,290		950
Japan.....	25,912,971	8,743,914	23,879,095	14,259,084
Great Britain.....	8,983,568	9,758,156	11,455,713	14,078,707
China.....	11,277,190	4,215,440	14,185,585	6,378,951
Germany.....	9,316,298	3,774,841	9,726,107	7,111,189
Spain.....	1,443,052	10,077,365	1,828,064	12,444,518
French East Indies.....	1,959,881	69,890	11,541,652	86,243
British East Indies.....	6,770,066	1,459,936	7,187,020	2,216,337
Dutch East Indies.....	6,062,533	580,338	6,342,541	637,774
France.....	2,590,441	3,001,592	3,267,960	4,509,416
Italy.....	534,895	4,602,048	650,104	4,229,110
Belgium.....	3,081,470	1,542,622	2,509,397	2,066,741
Australia.....	2,799,680	678,211	4,288,649	1,131,009
Switzerland.....	2,422,135	16,699	3,361,621	86,362
Netherlands.....	946,983	1,276,224	1,160,670	2,976,303
Japanese-China.....	1,471,884	64,744	1,841,413	26,786
Hong Kong.....	242,797	1,262,158	365,179	2,325,719
Sweden.....	604,097	532,529	673,656	846,254
Canada.....	360,607	507,719	557,808	591,180
Norway.....	265,329	416,995	267,032	607,532
Siam.....	166,865	306,083	252,634	292,736
Denmark.....	120,065	284,856	145,570	617,390
Ireland.....	334,012	7,450	461,789	522
Austria.....	133,165		126,773	
Other countries.....	1,424,827	1,380,081	1,745,787	1,407,274
Total.....	246,185,907	266,334,255	294,320,540	328,893,685

PRINCIPAL ARTICLES IMPORTED

The 10 principal imports of the islands during the year in the order of their importance in respect to value are as follows:

1. *Iron and steel and their manufactures.*—These articles constitute 16 per cent of our total imports during the year. It may be stated that while the value of the importation decreased by 13 per cent compared with the year previous, the item which ranked second last year, now heads the list of our

principal imports. The value imported in 1930 was ₧38,559,138, as against ₧43,812,331 in 1929, showing a decrease of 12 per cent. As in previous years the United States supplied the bulk of this item, the shipment from the country forming over three-fourths of the total amount imported. The other important sources of supply are Germany, Belgium, Great Britain, and Japan.

2. *Cotton goods*.—Cotton goods used to be No. 1 in the list of principal imports. Our importation of these goods dropped from ₧53,953,834 in 1929 to ₧37,027,108 in 1930, or a decrease of 32 per cent. This item formed 15 per cent of our total imports. The principal sources of supply are the United States, Japan, Great Britain, China, and Switzerland. The United States supplied 59 per cent in 1929 and only 47 per cent in 1930, while Japan supplied 20 per cent in 1929 and 30 per cent in 1930.

3. *Mineral oils*.—As in the four years preceding, mineral oils constituted 7 per cent of the total imports. The value of our importation in 1930 was ₧17,921,314 as against ₧19,838,656, or a decrease of 10 per cent. Wholly four-fifths of our supply came from the United States and the remaining portion from the Dutch East Indies.

4. *Automobiles, parts of, and tires for*.—While a decrease of 19 per cent was registered in our importation of automobiles, accessories, and tires, this item formed, as in the three years preceding, 5 per cent of our total imports. The value of our importation in 1930 reached the sum of ₧12,362,144, as against ₧15,271,461 in 1929, or a decrease of 19 per cent. Practically the entire item was supplied by the United States, and only a little over 1 per cent by other countries.

5. *Meat and dairy products*.—As in previous years, meat and dairy products constituted 5 per cent of the total imports during the year. The value of the importation in 1930 was ₧11,259,879 as against ₧13,787,160 in 1929, or a decrease of 18 per cent. The principal sources of supply are the United States, Australia, China, the Netherlands, and Switzerland.

6. *Electrical machinery, apparatus, and appliances*.—As already observed above, these are the only articles imported where an increase was registered. In fact, this item, which now is No. 6 in the list of principal imports, was at the bottom of the list in 1929. Our importation of these goods rose from ₧7,460,050 in 1929 to ₧9,742,646 in 1930, or an increase of 31 per cent. Ninety per cent of these articles came from the United States, 7 per cent from Germany, China, and Japan, and the remainder from other countries.

7. *Wheat flour*.—Our importation of wheat flour, which formed 4 per cent of our total imports in 1930, decreased by 11 per cent. The value of our importation in 1929 was ₧10,120,153 as against ₧8,932,329 in 1930. The United States sent in 89 per cent of the total import, and Australia and Canada the remaining 11 per cent.

8. *Silk (natural and artificial) and its manufactures*.—This item constituted 4 per cent of our imports. It is interesting to note that, for the first time since 1923, a decrease was registered in 1930 compared with the preceding year. Our importation in 1929 amounted to ₧9,328,442 as against ₧8,650,820 in 1930, or a decrease of 7 per cent. Japan has replaced the United States as our principal source of supply; the former having sent in 54 per cent, while the latter only 24 per cent. China supplied about half as much as the United States.

9. *Paper and its manufactures*.—This item constituted 3 per cent of our total imports. The value of our importation in 1929 was ₧8,454,247 as against ₧7,308,940 in 1930, or a decrease of 7 per cent. Three-fourths of our supply originated from the United States and the remainder from Germany, France, Japan, and Spain.

10. *Vegetable fibers and manufactures of*.—These articles constituted about 2½ per cent of our total imports. In 1929 our importation amounted to ₧6,468,642 as against ₧6,416,535 in 1930, or a decrease of 1 per cent. Over three-fourths of the total importation during the year was supplied by the British East Indies and only about 3 per cent by the United States.

Other imports.—The total value of the articles imported other than those enumerated above was ₧87,484,854 in 1930 as against ₧100,674,787 in 1929, showing a decrease of ₧13,219,933, or 13 per cent. Rice is among those included under this item, and, as we have already seen, the decrease in the value of this article alone amounted to ₧10,108,407.

PRINCIPAL ARTICLES EXPORTED

The principal articles exported from the islands in 1930 are practically the same as those of the year previous. The principal exports in the order of their importance as to value follow:

1. *Sugar*.—Sugar, which continued to be the principal mainstay of our exports, constituted 39 per cent of the total exports. The total value sent out in 1930 was ₱104,480,451 as against ₱106,485,298 in 1929, or a decrease of 1 per cent. As in past years, the United States was literally the only outlet of this product, less than a half of 1 per cent having been sent to all other countries combined.

2. *Coconut oil*.—Coconut oil constituted the second largest item of our exports. The total value exported during the year was ₱38,310,763 as against ₱58,369,383 in 1929, showing a decrease of over ₱20,000,000, or 34 per cent. As in the two years previous, wholly 99 per cent of the total export went to the United States, the remaining 1 per cent having been sent to China, Japan, and the East Indies.

3. *Abaca (manila hemp)*.—The total value of manila hemp exported during the year was only ₱36,853,352 as against ₱56,841,100 in 1929, showing a decrease of over ₱20,000,000, or 35 per cent. The total value exported last year was the lowest ever recorded since the year 1922. The three principal markets for this product are the United States, Great Britain, and Japan.

4. *Copra*.—As in the case of abaca, the total value of copra exported during the year was the lowest ever registered since the year 1922. The total value exported in 1930 was ₱26,866,875, compared with ₱31,131,641 in 1929, or a decrease of 14 per cent. Seventy-nine per cent of our export went to the United States, 18 per cent to Spain, and the remainder to other countries.

5. *Tobacco products*.—Our tobacco export has been steadily on the decrease since the year 1919, when it reached the immense sum of over ₱31,000,000. The total value of the exportation last year was only ₱15,672,771 as against ₱17,579,888 in 1929, thus showing a decrease of nearly ₱2,000,000, or 11 per cent. Our principal markets for this product are the United States and Spain.

6. *Embroideries (cotton and silk)*.—A decrease of nearly ₱5,000,000, or 40 per cent, was registered in this item, the total value of our exports during the year being only ₱7,183,473, as against ₱12,023,065 in 1929. Practically the whole item was exported to the United States, only a little over 1 per cent having been shipped to Hawaii.

7. *Desiccated coconut*.—This product constitutes, as in previous years, 2 per cent of our total exports. The value exported last year was ₱5,925,689 as against ₱7,080,247 in 1929, or a decrease of over ₱1,000,000, or 16 per cent. Practically the entire output was sent to the United States, the negligible portion of one-tenth of 1 per cent having been sent to Hawaii.

8. *Lumber*.—For the first time since 1923 our lumber export suffered a decrease during the year, the amount exported being only ₱5,486,784 as against ₱7,237,918 in 1929, resulting in a decrease of ₱1,751,134, or 24 per cent. Nearly one-half of this product went to the United States and the remainder to Japan, China, and Great Britain.

9. *Knotted hemp (abaca)*.—Of the 10 principal exports of the islands, this is the only item where an increase was registered over the preceding year. The total value exported was ₱3,814,363 as against ₱3,129,583 in 1929, thus showing a substantial increase of 21 per cent. The principal market for this product was Italy and not the United States, over 80 per cent having been shipped to the former during the year. The remaining 20 per cent was exported mainly to France and the United States.

10. *Copra meal or cake*.—A decrease of exactly 50 per cent was registered in this item, the value of our exportation having dropped from ₱7,585,573 in 1929 to ₱3,784,449 in 1930. The principal market for this product is Germany, about two-thirds of the entire output having been sent to that country during the year. Seventeen per cent went to the United States, 10 per cent to Sweden, and the remainder to other countries.

Other exports.—The total value of the local products exported other than the 10 principal exports listed above dropped from ₱20,458,615 in 1929 to ₱17,855,250 in 1930, resulting in a difference of ₱2,603,335, or 13 per cent.

FOREIGN CARRYING TRADE

Over 1,500 vessels flying the colors of 14 nations arrived in and were cleared from the different ports of the islands during the year under review. These vessels represent a net tonnage of about six millions. With but two or three exceptions, the standing of the different nations in respect to the volume of cargo carried by their vessels remained unchanged during the year. American ships, as in past years, maintained their predominance in the foreign carrying trade of the islands, the volume of cargo carried by them constituting a little less than half of the total burden, or 44 per cent, to be exact. The British ships continued to hold second place, but the percentage of the cargo transported by them dropped from 26 in 1929 to 24 in 1930. The vessels under the Japanese flag ranked third, as in previous years. The Norwegian and the German ships exchanged places, the former advancing a step higher and occupying fourth place and the latter being left to occupy fifth. The honor of making the most notable progress during the year must go to Panama. In 1929 the total value of goods transported by vessels of this nationality was only ₱70,247, but in 1930 the value jumped up to the respectable amount of ₱9,075,888, with the result that these vessels occupied sixth place in 1930. Philippine vessels do not seem to be coming to their own, for, instead of increasing their participation in this enterprise, they appear to be gradually losing ground. In 1929 our own vessels transported ₱2,098,146 worth of cargo, or 0.33 per cent of the total, while in 1930 the amount was reduced to ₱1,392,854, or 0.27 per cent of the total. A comparative statement of the values of merchandise carried by vessels of different nationalities calling at Philippine ports and the number and net tonnage thereof during the years 1930 and 1929 is given below.

Nationality of vessels	1930		1929	
	Amount	Per cent	Amount	Per cent
American.....	₱226,041,880	44.10	₱278,913,738	44.75
British.....	123,065,474	24.60	175,029,376	28.08
Japanese.....	64,227,544	12.53	50,580,385	8.11
Norwegian.....	26,602,814	5.19	29,496,557	4.73
German.....	21,010,564	4.10	29,588,982	4.75
Panaman.....	9,075,688	1.77	70,247	.01
Dutch.....	8,945,005	1.75	16,046,732	2.57
Danish.....	8,301,895	1.62	15,436,053	2.54
Italian.....			40,668	
Swedish.....	6,648,255	1.30	3,973,952	.64
Chinese.....	1,460,424	.22	1,949,479	.31
Philippine.....	1,392,854	.27	2,098,146	.33
Spanish.....	1,350,539	.26	3,053,027	.48
Belgian.....	129,702	.03	4,151	
French.....	14,000		247,656	.04
Total by freight.....	501,266,628	97.80	656,529,199	97.34
Total by mail.....	11,253,534	2.20	16,685,035	2.66
Total trade.....	512,520,162	100.00	673,214,234	100.00

1930

Nationality of vessels	Vessels entered		Vessels cleared	
	Number	Net tonnage	Number	Net tonnage
American.....	361	1,782,891	351	1,775,844
Philippine.....	24	83,765	26	99,967
Belgian.....	2	6,752	2	6,782
British.....	481	1,724,920	505	1,823,368
Chinese.....	39	86,874	44	92,894
Danish.....	21	50,571	19	47,473
Dutch.....	88	389,103	88	394,222
French.....	1	720	1	720
German.....	120	546,736	114	520,196
Japanese.....	264	820,644	255	809,170
Norwegian.....	103	300,859	113	327,275
Panaman.....	13	52,327	14	56,246
Spanish.....	1	2,999	1	2,999
Swedish.....	30	100,033	32	103,564
Total.....	1,548	5,949,224	1,565	6,051,720

1929

Nationality of vessels	Vessels entered		Vessels cleared	
	Number	Net tonnage	Number	Net tonnage
American.....	359	1,763,378	335	1,684,465
Philippine.....	24	62,936	27	67,241
Belgian.....	1	3,169	1	3,169
British.....	481	1,706,119	501	1,770,946
Chinese.....	49	94,880	42	82,728
Danish.....	25	52,874	24	49,621
Dutch.....	101	393,455	102	394,748
Finnish.....	2	7,084		
French.....			1	1,132
German.....	143	607,043	139	593,818
Italian.....	1	2,874	1	2,874
Japanese.....	217	627,620	194	364,568
Norwegian.....	83	213,194	84	214,825
Panaman.....	2	7,976	1	3,988
Spanish.....	3	7,185	3	7,185
Swedish.....	10	67,361	19	66,233
Total.....	1,510	5,617,148	1,474	5,707,531

As in past years, foreign vessels were granted special permits to call at places other than ports of entry for the purpose of embarking export cargo. Lumber, copra, sugar, and leaf tobacco were the products taken from these ports. In Manila collection district, Philippine products were taken from Bagak (Bataan), Casiguran (Tayabas), Guinayagan (Tayabas), Hondagua (Tayabas), Hook Bay (Tayabas), Masinloc (Zambales), Morong (Bataan), Nasugbu (Batangas), Polillo (Tayabas), and San Fernando (La Union), to the value of ₱1,177,968; from Cebu collection district, local products were taken from Bais (Oriental Negros), Cagayan (Oriental Misamis), Gingoog (Oriental Misamis), Iligan (Oriental Misamis), Kolambugan (Lanao), Mambuguid (Cebu), and Tacloban (Leyte), to the value of ₱7,238,621; from Iloilo collection district, products were taken from Cadiz (Occidental Negros), Guimaras (Iloilo), Hinigaran (Occidental Negros), Manapla (Occidental Negros), Mangarin (Mindoro), Odiogan (Romblon), Pulupandan (Occidental Negros), Sagay (Occidental Negros), San Carlos (Occidental Negros), Sumagui (Mindoro), Tagubanhon (Iloilo), and Victorias (Occidental Negros), to the value of ₱25,850,151; from Legaspi collection district, products were taken from Aroroy (Masbate), Bulan (Sorsogon), Catabangan (Camarines Sur), Masbate (Masbate), Paracale (Camarines Norte), Sipaco (Camarines Sur), and Tabaco (Albay), to the value of ₱1,819,927; from Zamboanga collection district products were taken from Port Banga (Zamboanga), Port Holland (Basilan), Malangas (Zamboanga) and Milbuk (Cotabato), to the value of ₱170,723; and from Jolo collection district miscellaneous products were taken from Sitanki (Sulu) valued at ₱16,733.

DOCUMENTATION AND LICENSING OF VESSELS AT THE PORT OF MANILA

A total of 346 vessels with an aggregate registered tonnage of 8,819.11 were newly documented at this port as against 318 vessels with an aggregate net tonnage of 18,133.95 in 1929.

Coastwise licenses were issued to 177 steam and motor vessels having an aggregate net tonnage of 37,283.86 and to 557 vessels not propelled by either steam or other mechanical motive power having an aggregate net tonnage of 21,679.10. Bay and river licenses were issued to 1,671 miscellaneous vessels for the bay and river traffic.

COASTWISE ENTRANCES AND CLEARANCES

During the year 22,867 coastwise vessels with a total net tonnage of 3,697,147 entered the various ports of entry as compared with 21,785 coastwise vessels with an aggregate net tonnage of 3,373,372 in 1929, and 22,597 coastwise vessels with a total net tonnage of 3,688,775 were cleared from the different ports as compared with 22,115 coastwise vessels with a total net tonnage of 3,379,352

in 1929. It is thus seen that an increase was recorded in the aggregate number as well as in the tonnage of the coastwise vessels that entered and were cleared from the different ports of entry.

A comparative statement of the entrances and clearances of vessels engaged in the coastwise trade in the different ports of entry during the years 1930 and 1929 is given below:

ENTERED

Ports of entry	1930		1929	
	Number	Net tonnage	Number	Net tonnage
Manila.....	3,671	972,695	3,568	933,552
Iloilo.....	8,638	811,262	8,417	801,849
Cebu.....	7,228	999,564	7,499	931,749
Jolo.....	573	99,236	278	106,869
Zamboanga.....	2,021	503,233	1,427	375,326
Davao.....	196	136,629	117	93,193
Legaspi.....	540	175,528	479	130,843
Total.....	22,867	3,697,147	21,785	3,373,372

CLEARED

Ports of entry	1930		1929	
	Number	Net tonnage	Number	Net tonnage
Manila.....	3,277	990,641	3,750	953,452
Iloilo.....	8,639	809,490	8,443	805,650
Cebu.....	7,340	975,001	7,620	914,420
Jolo.....	587	99,390	280	107,499
Zamboanga.....	2,017	500,747	1,427	374,953
Davao.....	194	136,394	117	93,101
Legaspi.....	543	177,112	478	139,275
Total.....	22,597	3,688,775	22,115	3,379,350

INSPECTION OF VESSELS

A total of 330 vessels of all kinds with an aggregate gross tonnage of 76,944.49 were inspected during the year in the port of Manila, in accordance with the requirements of navigation and steamboat inspection service, as compared with 315 vessels representing a total gross tonnage of 89,617.66 inspected during the year 1929. During the same period 308 vessels with a gross tonnage of 11,859.92 were admeasured in this port as compared with 303 vessels with a gross tonnage of 20,087.06 during the year 1929.

MARINE OFFICERS

For the marine officers and marine engineers' examinations held during the year there were 197 applicants, all Filipinos, but only 192 actually took the examinations, 5 having withdrawn; 99 obtained passing marks. During the same period 149 certificates were issued, of which 93 were for any ocean, 4 for coastwise, and 51 for limited coastwise.

MARINE ACCIDENTS

Sixteen marine accidents of vessels of domestic ownership in Philippine waters were registered during the year 1930, of which six were collisions, four groundings, and the rest, of little or no importance, were due to miscellaneous causes. Ten were due to fortuitous causes. Of the collision cases, three were found to have been due to the negligence of officers and three were amicably settled. In the three cases last mentioned official action was withdrawn at the request of the parties concerned.

The collision between steamship *Marcie* and *Mactan* and between steamship *Ntra. Sra. del Rosario* and motor ship *Milagros* and the grounding of the steamship *Ntra. Sra. del Carmen* were the accidents of notable importance. The collision between the steamship *Marcie* and *Mactan* occurred in Manila Bay in the evening of January 11, 1930. Both vessels were seriously damaged and had to undergo extensive repairs. Fortunately, no lives were lost. The cause of the accident was attributed to the negligence of the master of the steamship *Mactan*. The collision between the steamship *Ntra. Sra. del Rosario* and motor ship *Milagros* occurred in the morning of August 4, 1930, about 13 miles off Culasi Light, Panay Island. Both vessels suffered damages but without any fatal results. The collision was attributed to the negligence of the second officer of the steamship *Ntra. Sra. del Rosario*, who was then the officer on watch. Of the 3 cases of grounding, that of the *Ntra. Sra. del Carmen* which took place in the evening of July 22, 1930, at Alasasin Point, Luzon Island, while the said vessel was navigating from Manila to coastwise ports, was the most serious owing to the loss of considerable cargo, including passengers' luggage, and to the total loss of the vessel. No lives were lost in this accident, which was attributed to force majeure.

CONSULAR SERVICE

During the year 608 seamen were discharged at the port of Manila from vessels of United States registry, consisting of 124 Americans, 458 Filipinos, 2 Europeans, 22 Chinese, and 5 Hawaiians, as compared with 409 seamen in 1929, consisting of 112 Americans, 283 Filipinos, 4 Europeans, 8 Chinese, and 2 Hawaiians. Eighty-six seamen, consisting of 74 Americans, 4 Filipinos, 2 Europeans, 5 Chinese, and 1 Porto Rican, who contracted illness in line of duty, were left in the Marine Hospital for medical treatment at the expense of the vessels concerned, as against 79 seamen in 1929, consisting of 73 Americans, 1 Filipino, and 5 Europeans. In addition to the number of seamen regularly discharged by this office, 107 seamen were reported discharged by their officers or voluntarily left their ships as compared with 125 in 1929.

Seventy-one seamen, consisting of 7 Americans and 64 Chinese, were transferred from American vessels to other vessels of the same registry as compared with 77 transferred in 1929. Seven hundred and four seamen were shipped out consisting of 128 Americans, 443 Filipinos, 16 Chinese, and 117 of various nationalities, as compared with 665 consisting of 195 Americans, 314 Filipinos, 9 Chinese, and 147 of various nationalities in 1929.

The sum of \$28,090.31 as wages due to American seamen who were regularly discharged before this office was collected, of which \$27,998.01 was paid, leaving an unpaid balance of \$92.30 at the close of the year. In 1929 the amount collected and paid as wages to seamen was \$44,770.93.

IMMIGRATION AND EMIGRATION

Exclusive of the enlisted men and others attached to the military and naval forces of the United States, a total of 41,732 persons arrived in the Philippine Islands in 1930 and 39,759 persons departed therefrom. In 1929, 35,671 arrived in and 43,889 departed from this country. Of those who arrived in the islands, 4,979 were Americans, 10,003 Filipinos, 26 Hawaiians, and 5 other American nationals. The number of Americans who came from the United States and insular possessions was 2,482 and from other countries 2,497. The number of Filipinos returning from the United States and insular possessions was 6,149 and from foreign countries 3,854. Of the aliens who arrived, 20,881 were Chinese, 3,732 Japanese, 676 English, 371 Spaniards, 172 Germans, 168 East Indians, 130 Russians, 111 Dutch and Flemish, 66 French, 59 Italians, 59 Scotch, 38 Scandinavians, 31 Portuguese, 24 Irish, 9 Syrians, 4 Turkish, and 188 of other nationalities. As to the Chinese who arrived during the year, 3 came from the United States and insular possessions and 20,878 from foreign countries, and 8,143 were immigrants and 12,735 nonimmigrants. In 1929, 6,534 Chinese immigrants and 8,737 nonimmigrants arrived. Of the Japanese who arrived, 3,095 were immigrants and 636 nonimmigrants, as compared with 3,048 immigrants and 418 nonimmigrants in 1929.

Among those who departed from the islands were 4,659 Americans, 16,012 Filipinos, 2 Hawaiians, and 2 other nationals. Grouped according to their nationalities, the aliens who left the country are as follows: 15,474 Chinese,

1,518 Japanese, 701 English, 379 Spaniards, 184 Germans, 174 East Indians, 137 Dutch and Flemish, 106 Russians, 63 French, 55 Scandinavians, 53 Italians, 41 Portuguese, 25 Syrians, 9 Scotch, 2 Irish, 2 Turkish, and 165 of other nationalities. Filipinos numbering 12,509 went to the United States and insular possessions and 3,503 to foreign countries.

Nine Chinese left the islands for the United States and 15,465 for foreign countries, of whom 192 were emigrants and 15,363 nonemigrants. Of the Japanese who departed 886 were emigrants and 631 nonemigrants.

A total of 200 aliens were debarred from admission into the islands during the year, of whom 192 were Chinese, 7 East Indians, and 1 Russian. Forty-four aliens, all Chinese, were also deported by competent authority from the country during the year.

PROTESTS AND APPEALS

A total of 253 protests against the classification and appraisal of imported merchandise, collection of customs duties, internal revenue taxes, tonnage dues, fines, forfeitures of immigration bonds, etc., were filed with the Board of Protests and Appeals in Manila, under section 1370 of the Administrative Code; as compared with 191 protests filed in 1929. Of the protests filed in 1930, 20 were overruled and denied, 52 sustained, 8 dismissed and 173 were pending decision which, together with 90 of the previous years, make a total of 263 protests undecided at the close of the year. In 1929, 6 protests were overruled, 9 sustained, 8 dismissed, and a total of 284 protests undecided at the end of the year.

Similar protests were lodged with the collectors of customs at the other ports of entry, 6 of which were acted upon and sent to this office either on appeal or for review, 5 thereof being against the assessment and collection of customs duties, and 1 against the collection of internal revenue taxes. Three of these decisions were affirmed and three were pending at the close of the year.

The aggregate amount involved in the protests filed in Manila and disposed of during the year was ₱6,209.35 in sustained protests, ₱6,304.75 in those overruled and denied, and ₱1,288.50 in the protests dismissed. In the sustained protests brought up to this office from the other ports of entry the total amount involved was ₱1,002.36. The above figures do not include those involved in protests decided during the year, but filed in previous years.

Of the customs cases removed into the courts at the instance of the protesters for review, 9 cases were decided by the Supreme Court of the Philippine Islands during the year, in all of which the decisions of this office were approved and affirmed. In addition thereto, 11 cases were dismissed by the court of first instance.

GOVERNMENT PIERS

During the year 952 vessels were berthed at the Philippine government piers at the port of Manila, 850 of which were vessels engaged in the foreign trade, 91 coastwise vessels, 9 Philippine government vessels, and 2 belonging to the Army and Navy of the United States, whereas, in 1929, 913 vessels, of which 777 were in the foreign trade, 110 coastwise, 15 government vessels, and 11 Army and Navy vessels, were berthed at these piers, thus showing an increase of 39 vessels.

During the same period 1,471,276 tons of cargo were discharged by the 850 foreign vessels that took berth at the said piers as compared with 809,980 discharged during the year preceding. Of the cargo handled, about 697,816 tons were discharged onto the piers and the rest onto lighters at shipside.

SECRET SERVICE

The work of the secret service force in the detection and suppression of smuggling and other violations of the customs, opium, and immigration laws has been pushed through with equal vigor and thoroughness as in previous years. Seventy-two cases arising at the port of Manila were filed in the courts against violators of the laws administered by this bureau, resulting in 68 convictions and 4 pending at the close of the year. The penalties imposed in all such convictions amounted in the aggregate to one year imprisonment, 29 deportations, and fines totaling ₱1,495.50. The amount realized in the form of customs taxes collected on various merchandise seized by the secret service and from the proceeds from the sale thereof at public auction was ₱2,032.23.

During the year there were effected at the port of Manila 137 seizures and confiscations of contraband goods, foreign coins, and miscellaneous merchandise as compared with 76 seizures and confiscations made during the year 1929. Of these seizures and confiscations, the most notable was that made by the Customs Secret Service on September 18, 1930, when 1,420 tins of one tael each of opium were found contained in a floating log outside the breakwater. These various contraband goods, foreign coins, and miscellaneous merchandise were disposed of as follows: miscellaneous merchandise found salable were sold at public auction; foreign coins were deposited with the insular treasurer for reversion to the credit of the gold standard fund; drugs, firearms and ammunition were deposited with the Philippine Constabulary and the rest, i. e., playing cards, lottery tickets, etc., were destroyed by burning in the city crematory.

PERSONNEL

There were 932 officers and employees in the service of this bureau at the close of the year, two of whom were American, both in the unclassified service, and the rest all Filipinos. Thirteen Mohammedan Filipinos, two in Manila and the others in the collection districts of Mindanao and Sulu, were also employed in the unclassified service. Of the total customs force, 545 were in the classified service and 387 in the unclassified service. Customs secret service agents and the crews of the revenue cutter *Mindoro* and of customs motor boats and launches stationed in the different parts of the islands are considered unclassified employees, and this fact accounts for the big number of employees in the unclassified service.

PORTS OF ENTRY OTHER THAN MANILA

The total customs collections for the ports of Cebu, Iloilo, Zamboanga, Davao, Legaspi, and Jolo are given at the beginning of this report pertaining to the bureau of customs. The foreign commerce of these ports is as follows:

Port of Cebu.—The foreign trade in the Cebu collection district during the year amounted to ₱55,567,267, of which ₱14,844,309 represent the value of imports and ₱44,722,968 the exports, as compared with ₱73,301,993 in 1929, of which ₱18,969,418 constitute the imports and ₱54,332,575 the exports, or a decrease of ₱17,739,267. This reduction is attributed partly, to a reduction in the importations of rice and partly to the decline in the value of exports, which was due to the low prices at which export products were sold abroad. In spite of this decrease, there was a trade balance amounting to ₱29,878,669 in favor of the port. Iron and steel, cotton goods, wheat flour, gasoline, and kerosene constitute the principal articles imported into this port, valued at ₱2,730,209, ₱1,682,435, ₱1,519,796, ₱1,336,599, and ₱1,309,808, respectively, while copra, abaca (manila hemp), coconut oil, centrifugal sugar, magney, lumber, tobacco leaf, and copra meal constitute the chief exports, valued at ₱19,237,424, ₱8,769,084, ₱6,896,628, ₱4,561,280, ₱1,701,335, ₱1,617,041, ₱968,330, and ₱685,345, respectively.

Port of Iloilo.—The total foreign trade of the port of Iloilo during the year amounted to ₱82,932,506, of which ₱13,168,282 represent the imports and ₱69,764,224 the exports, as compared with ₱87,886,702 in 1929, of which ₱16,123,240 represent the imports and ₱71,763,462 the exports, thus showing a decrease of ₱4,954,196. There is, therefore, a balance of trade favorable to the port amounting to ₱56,595,942. Less rice was imported during the year compared with that of 1929. This was due to the favorable weather conditions during the year 1929, which enabled farmers to obtain good rice crop for consumption during the year 1930. Decreases were also registered in the exportations of copra and lumber. The decrease in the exportation of copra was due to the pest that attacked the coconut plantations and the typhoons which destroyed coconut trees. A big increase in the exportation of sugar was made during the year under review. The big production for the year and the stocks kept by the exporters from the previous year's crop was the cause of the big exportation during 1930. Because of the low prices, however, the money value received was less than that of 1929. Fertilizers, iron and steel, jute bags, baling and bagging, wheat flour, cotton goods, gasoline, and rice are the principal articles imported into this port valued at ₱3,260,596, ₱1,399,623, ₱1,905,650, ₱909,026, ₱830,011, ₱257,571, and ₱104,233, respectively, while centrifugal sugar, lumber,

copra, and raw sugar constitute the chief exports, valued at ₱65,833,590, ₱1,456,852, ₱1,399,413, and ₱232,356, respectively.

Port of Zamboanga.—The total foreign trade of this port during the year under review amounted to ₱5,107,028, as compared with ₱7,031,649 in 1929, which shows a decrease of ₱1,924,621. Of this total, ₱4,128,471 represent the value of exports and ₱978,557 that of imports, thus resulting in a balance of trade of ₱3,149,914 in favor of the port. It is gratifying to note that, in spite of the general business depression which prevailed during the year, the export trade of this port did not suffer a material decrease. In volume the export trade during 1930 was slightly greater than in 1929. Cotton goods, wheat flour, iron and steel, meat, and dairy products are the principal articles imported into this port, valued at ₱357,320, ₱125,387, ₱115,462, ₱45,090, respectively, while copra, lumber, desiccated coconut, chemicals, drugs, dyes, and medicines constitute the chief exports, valued at ₱1,733,367, ₱652,914, ₱526,930, and ₱514,264, respectively.

Port of Davao.—The total foreign trade of the port during the year reached the sum of ₱14,295,103, of which ₱1,032,694 represent the value of imports and ₱13,212,409 that of exports, as compared with ₱17,487,889 in 1929, of which ₱1,569,434 represented the value of imports and ₱15,918,455 that of exports. Imports from the various countries trading with this port all showed a decrease, with the exception of Australia, Germany, and the Dutch East Indies. Iron and steel, cotton goods, and wheat flour constitute the principal articles imported into this port, valued at ₱214,434, ₱139,083, and ₱110,469, respectively, while abaca, copra, and lumber constitute the chief exports, valued at ₱12,440,176, ₱443,473, and ₱301,007, respectively.

Port of Lugaspi.—The total foreign trade of the port during the year amounted to ₱4,835,489, of which ₱916,829 represent the value of imports and ₱3,918,660 that of exports, as compared with ₱5,779,470 in 1929, of which ₱1,490,435 represent the value of imports and ₱4,289,035 that of exports. The decline in the total trade was due mainly to the low prices of copra and abaca. The last Mayon volcano eruption and the typhoons of 1928 and 1929 which were very destructive to agricultural products of this region, also affected the output of copra and abaca. Gasoline, kerosene, and wheat flour constitute the principal articles imported into this port, valued at ₱367,124, ₱359,246, and ₱91,583, respectively, while copra and lumber constitute the chief exports, valued at ₱3,392,315 and ₱519,421, respectively.

Port of Jolo.—The total foreign trade at the port during the year amounted to ₱621,019 only, as compared with ₱967,906 in 1929, or a decrease of ₱346,887. The value of the imports totaled ₱284,958 as against ₱412,631 in 1929, while the exports amounted to ₱337,160 as compared with ₱555,275 in 1929. Hence the balance of trade was slightly in favor of the port. Cotton goods, chemicals, drugs, dyes, medicines, and sugar constituted the principal imports valued at ₱107,897, ₱26,627, and ₱22,278, respectively; while copra, fish, and fish products, and shells constitute the chief exports valued at ₱207,782, ₱66,689, and ₱34,217, respectively.

BUREAU OF INTERNAL REVENUE

COLLECTION

The collections made by the bureau of internal revenue during the years 1929 and 1930 were from the following sources:

Item	1929	1930
Excise taxes:		
Domestic—		
Distilled spirits.....	P4, 847, 506. 65	P4, 211, 886. 29
Fermented liquors.....	374, 365. 80	384, 000. 00
Manufactured tobacco.....	432, 172. 10	399, 860. 99
Cigars.....	327, 276. 44	312, 871. 48
Cigarettes.....	5, 793, 785. 15	5, 612, 540. 26
Matches.....	151, 170. 34	160, 623. 10
Wines and imitations.....	274, 889. 48	271, 407. 60
Playing cards.....	6, 281. 00	1, 875. 47
Cinematographic films.....	4, 192. 54	3, 241. 58
Total.....	12, 211, 579. 50	11, 358, 311. 77
Coal and coke.....	40, 977. 29	16, 584. 54
Total excise taxes—domestic.....	12, 252, 556. 79	11, 374, 896. 31
Imported—		
Distilled spirits.....	420, 842. 13	330, 646. 84
Fermented liquors.....	77, 196. 54	60, 395. 44
Manufactured tobacco.....	244, 980. 34	204, 281. 35
Cigars.....	1. 80	25. 99
Cigarettes.....	1, 263, 874. 56	1, 437, 206. 22
Matches.....	396, 878. 02	334, 623. 01
Wines and imitations.....	146, 195. 17	110, 592. 22
Skimmed milk.....	730. 82	673. 70
Playing cards.....	385, 678. 00	333, 741. 25
Cinematographic films.....	58, 720. 54	75, 749. 29
Total.....	2, 995, 097. 92	2, 887, 935. 31
Kerosene or petroleum.....	1, 233, 191. 32	1, 034, 058. 87
Naphtha, gasoline, and all lighter products of distillation.....	3, 652, 875. 12	3, 669, 399. 72
Lubricating oils.....	345, 075. 75	373, 158. 08
Total.....	5, 231, 142. 19	5, 076, 616. 67
Medicinal preparations containing prohibited drugs.....	24. 78	48. 21
Coal and coke.....	284, 696. 42	256, 270. 44
Total excise taxes—imported.....	8, 510, 961. 31	8, 220, 870. 63
Total excise taxes—domestic and imported.....	20, 763, 518. 10	19, 595, 766. 94
License, business, and occupation taxes:		
Brewers.....	1, 800. 00	1, 400. 00
Distillers.....	19, 241. 68	18, 137. 75
Rectifiers.....	16, 196. 00	17, 261. 21
Retail liquor dealers.....	40, 886. 17	42, 420. 00
Retail vino dealers.....	253, 046. 64	218, 617. 60
Wholesale liquor dealers.....	116, 132. 00	107, 355. 51
Retail dealers in fermented liquors.....	46, 261. 33	48, 274. 53
Retail dealers in tuba, basi, tapuy, etc.....	271, 666. 53	249, 535. 45
Wholesale dealers in fermented liquors.....	24, 348. 66	21, 580. 00
Dealers in manufactured tobacco.....	397, 191. 33	388, 453. 90
Manufacturers of chewing and smoking tobacco.....	910. 00	1, 092. 00
Manufacturers of cigars and cigarettes.....	2, 353. 57	2, 238. 40
Wholesale peddlers of manufactured tobacco products.....	18, 311. 00	19, 870. 00
Wholesale peddlers of alcoholic products.....	10, 489. 00	12, 068. 00
Retail peddlers of manufactured tobacco products.....	3, 842. 00	3, 585. 00
Retail peddlers of alcoholic products.....	1, 630. 00	1, 295. 00
Retail leaf-tobacco dealers.....	130, 424. 25	120, 685. 81
Repackers of distilled spirits and wines.....	8, 215. 00	11, 035. 00
Total.....	1, 362, 945. 16	1, 284, 905. 16
Merchants and manufacturers (1 per cent).....	11, 431, 957. 82	9, 595, 475. 63
Peddlers of merchandise (1 per cent).....	554, 225. 82	461, 899. 21
Merchants, manufacturers, and peddlers of merchandise (one-half of 1 per cent, Act 3243).....	5, 824, 196. 98	4, 865, 528. 24
Printers and publishers.....	40, 393. 68	38, 342. 94
Common carriers.....	271, 106. 90	276, 824. 85
Contractors, warehousemen, and others.....	1, 066, 645. 35	1, 164, 272. 89
Total.....	19, 188, 526. 55	16, 402, 443. 76
Commercial brokers.....	253, 516. 55	243, 447. 94
Stock brokers.....	21, 605. 36	21, 491. 94
Real-estate brokers.....	16, 519. 11	21, 122. 00

Item	1929	1930
License, business, and occupation taxes—Continued.		
Customs and immigration brokers	P2, 530.00	P2, 495.00
Pawnbrokers	26, 225.00	28, 000.00
Theaters, museums, cinematographs, and concert halls	35, 981.00	34, 240.00
Circuses	925.00	640.00
Billiard rooms	24, 028.12	23, 000.30
Lawyers, medical practitioners, architects, land surveyors, engineers, and public accountants	149, 914.65	159, 502.68
Chiropodists, manicurists, tattooers, and masseurs	2, 175.00	2, 453.74
Pharmacists and farriers	29, 796.50	32, 453.00
Race tracks	8, 430.00	7, 805.00
Cockpits	723, 244.00	628, 516.79
Cockfights	132, 563.49	115, 895.01
Opticians and dental surgeons	27, 613.50	34, 258.00
Midwives and cirujanos ministrantes in medicine and dentistry	2, 470.50	2, 490.00
Procuradores judiciales, business agents, insurance agents, and sub-agents	36, 651.00	36, 586.50
Photographers, engravers, and professional appraisers or connoisseurs of tobacco, etc.	24, 293.50	24, 244.00
Veterinarians	215.00	265.00
Money lenders	28, 325.73	29, 040.00
Total	1, 546, 973.01	1, 447, 946.90
Banks and bankers	1, 480, 804.69	1, 427, 990.46
Insurance companies	137, 144.92	153, 926.79
Mines	51, 501.93	79, 722.48
Registered dealers in prohibited drugs	19, 998.87	19, 304.53
Sponge fisheries	217.52	
Firearms license fees	151, 191.32	150, 881.43
Pearl fisheries	3, 327.50	3, 757.50
Sparring or boxing exhibitions	10, 125.00	9, 115.00
Weights and measures	195, 164.07	197, 952.48
Total	2, 049, 475.82	2, 042, 650.64
Total license, business, and occupation taxes	24, 147, 920.54	21, 177, 946.46
Cedulas:		
Class A. Regular at P1.	29, 226.00	32, 286.00
Class B. Delinquent at P2.	14, 768.00	12, 660.00
Class D. Special at P1.	746.00	762.00
Class E. Fines	355.00	411.00
Class F. Regular at P2.	4, 628, 230.00	4, 555, 142.00
Class G. Delinquent at P4.	683, 140.00	558, 574.00
Class H. Special at P2.	28, 638.00	27, 994.00
Class I. Road and bridge tax, P1.	17.00	9.00
Class K. Delinquent road and bridge tax, P2.	76.00	42.00
Class L. Delinquent from May 1 to June 30, P1.50.	2, 464.50	1, 944.00
Class M. Delinquent from May 1 to June 30, P3.	144, 608.00	161, 639.00
Class N. Delinquent from May 1 to June 30, P1.50.	4.50	
Total cedulas	5, 532, 273.00	5, 351, 463.00
Franchise taxes	183, 956.29	501, 857.69
Income taxes	4, 873, 039.75	4, 379, 935.70
Documentary stamp taxes	929, 350.41	839, 849.33
Inheritance taxes	667, 019.51	1, 032, 275.18
Incidental revenue:		
United States internal revenue collected in the Philippines	665, 514.73	637, 410.35
United States internal revenue collected in the United States	6, 685.86	5, 443.34
Total	7, 625, 566.55	7, 396, 771.64
Revenue from public forests:		
First group timber	381, 640.50	409, 197.80
Second group timber	122, 408.76	121, 612.81
Third group timber	942, 901.54	818, 310.89
Fourth group timber	269, 030.48	251, 078.18
Firewood (bacauan and tangal)	26, 418.44	25, 042.36
Firewood (other wood)	18, 039.58	16, 400.58
Minor forest products	166, 482.14	141, 741.70
Lease of forest lands		
Total revenue from public forests	1, 926, 971.44	1, 783, 384.32
Miscellaneous stamp collections	1, 930.80	303.20
Service income:		
Justice of the peace fines and fees	425, 116.05	390, 521.34
Radio registration fees	9, 779.94	21, 528.69
Tobacco inspection fees	145, 761.64	144, 370.85
Water rent	198.10	198.10
Fees for certificates of taxes paid	1, 605.73	1, 498.20
Fees for furnishing list	117.48	48.73
Fees for inspecting Chinese books	9, 930.11	18, 866.87
Other fees	47.20	6.50
Grand total	60, 590, 736.68	55, 882, 674.84

APPORTIONMENT OF INTERNAL-REVENUE TAXES AND OTHER COLLECTIONS MADE BY
THE BUREAU OF INTERNAL REVENUE

In accordance with the provisions of the internal revenue allotment law (ch. 19 of Act No. 2711), the following distribution was made to the insular, provincial, and municipal governments and the Bataan Military Reservation of the collections effected by the bureau of internal revenue:

	Accruing to—			
	Insular	Provincial	Municipal	Bataan Military Reservation
1929				
Excise taxes:				
Domestic—				
Alcohol and tobacco products	P12, 049, 998. 62			
Matches	151, 107. 34			
Playing cards	6, 129. 00			
Cinematographic films	4, 044. 74			
Coal and coke	41, 277. 09			
Total	12, 252, 556. 79			
Imported—				
Alcohol and tobacco products	2, 153, 090. 54			
Matches	396, 878. 02			
Skimmed milk	830. 82			
Playing cards	385, 678. 00			
Cinematographic films	58, 720. 54			
Kerosene or petroleum	1, 233, 191. 32			
Naphtha, gasoline, etc.		P3, 652, 875. 12		
Lubricating oils	(6.81)	345, 082. 56		
Coal and coke	284, 696. 42			
Medicinal preparations contain- ing prohibited drugs	24. 78			
Total	4, 513, 103. 63	3, 997, 957. 68		
Total excise taxes	16, 765, 660. 42	3, 997, 957. 68		
License, business, and occupation taxes:				
Dealers in alcohol and tobacco prod- ucts	1, 091, 278. 63		P271, 666. 53	
Merchants, manufacturers and com- mon carriers	13, 359, 733. 85			P4, 595. 72
One-half of 1 per cent tax under Act 3243	5, 241, 777. 29	283, 154. 67	299, 265. 02	
Occupations, trades, and professions	604, 056. 40		942, 916. 61	
Banks and bankers	1, 400, 804. 69			
Insurance companies	137, 144. 92			
Mines	51, 501. 93			
Registered dealers in prohibited drugs	19, 998. 37			
Boxing or sparring exhibitions	10, 125. 00			
Sponge fisheries	43. 50	87. 01	87. 01	
Pearl fisheries ¹		3, 297. 50	30. 00	
Weights and measures ¹		89, 160. 59	106, 003. 48	
Firearms fees under Act 3097	151, 191. 32			
Total license, business and occupation taxes	22, 147, 656. 40	375, 699. 77	1, 619, 968. 65	4, 595. 72
Cedulas ¹		3, 895, 038. 75	1, 637, 234. 25	
Franchise tax	181, 711. 36	19, 011. 82	283, 233. 11	
Income tax	4, 872, 587. 25			152. 50
Documentary stamp tax	929, 264. 35			86. 06
Inheritance tax	667, 019. 51			
Internal revenue allotment	5, 164, 088. 65	1, 538, 280. 64	1, 625, 802. 91	
Total revenue from taxation	42, 400, 115. 74	9, 825, 988. 66	5, 166, 238. 92	4, 834. 28
Incidental revenue:				
United States internal revenue col- lected in the Philippines	665, 514. 73			
United States internal revenue col- lected in the United States	6, 685. 86			
Revenue from public forests	1, 925, 920. 71			1, 050. 73
Miscellaneous stamp collections	1, 930. 80			

¹ The provincial shares of the cities of Manila and Baguio and road and bridge shares in cedula collections of Corregidor, Olongapo, and the other municipalities mentioned in Act 3382 are considered as municipal funds.

	Accruing to—			
	Insular	Provincial	Municipal	Bataan Military Reservation
1929				
Service income:				
Justice of the peace fines and fees.....	P404, 183. 55	P109. 10	P20, 551. 80	P266. 60
Radio registration fees.....	9, 779. 94			
Tobacco inspection fees.....	145, 761. 64			
Rental of water power.....	198. 10			
Fees for the issuance of certificates of taxes paid.....	1, 605. 73			
Fees for furnishing list of taxpayers.....	117. 48			
Fees for inspection of Chinese books and accounts.....	9, 930. 11			
Other fees.....	47. 20			
Grand total.....	45, 571, 796. 59	9, 826, 097. 76	5, 186, 790. 72	6, 151. 61
1930				
Excise taxes:				
Domestic—				
Alcohol and tobacco products.....	11, 192, 566. 62			
Matches.....	160, 628. 10			
Playing cards.....	1, 875. 47			
Cinematographic films.....	3, 241. 58			
Coal and coke.....	16, 584. 54			
Total.....	11, 374, 896. 31			
Imported—				
Alcohol and tobacco products.....	2, 143, 148. 06			
Matches.....	334, 623. 01			
Skimmed milk.....	673. 70			
Playing cards.....	333, 741. 25			
Cinematographic films.....	75, 749. 29			
Kerosene or petroleum.....	1, 034, 058. 87			
Naphtha, gasoline, etc.....	877. 83	3, 670, 277. 55		
Lubricating oils.....		373, 158. 08		
Coal and coke.....	256, 270. 44			
Medicinal preparations contain- ing prohibited drugs.....	48. 21			
Total.....	4, 177, 435. 00	4, 043, 435. 63		
Total excise taxes.....	15, 552, 331. 31	4, 043, 435. 63		
License, business, and occupation taxes:				
Dealers in alcohol and tobacco prod- ucts.....	1, 035, 369. 71		249, 535. 45	
Merchants, manufacturers, and com- mon carriers.....	11, 541, 511. 24			4, 595. 72
One-half of 1 per cent tax under Act 3243.....	4, 378, 975. 42	236, 663. 61	249, 889. 21	
Occupation, trades, and professions.....	617, 654. 80		830, 292. 10	
Banks and bankers.....	1, 427, 990. 46			
Insurance companies.....	153, 926. 78			
Mines.....	79, 722. 46			
Registered dealers in prohibited drugs.....	19, 304. 53			
Boxing or sparring exhibitions.....	9, 115. 00			
Pearl fisheries ²		3, 512. 50	245. 00	
Weights and measures ²		92, 695. 84	105, 256. 64	
Firearms fees under Act 3097.....	150, 881. 43			
Total license, business, and occupa- tion taxes.....	19, 414, 451. 83	332, 871. 95	1, 435, 218. 40	4, 595. 72
Cedulas ³		3, 739, 453. 00	1, 612, 010. 00	
Franchise tax.....	183, 318. 48	23, 231. 96	295, 307. 27	
Income tax.....	4, 340, 088. 20			152. 50
Documentary stamp tax.....	839, 935. 44			86. 06
Inheritance tax.....	1, 032, 275. 19			
Internal revenue allotment.....	3, 164, 033. 65	1, 538, 280. 64	1, 625, 802. 91	
Total revenue from taxation.....	38, 238, 316. 87	9, 677, 273. 18	4, 968, 338. 58	4, 834. 28

² Only 20 per cent of these collections, or P1,774.72 and P181.27 for fees and penalties, respectively, accrues to the insular government, the remaining 80 per cent, or P7,098.88 and P725.07 for fees and penalties, respectively, being transferred to the radio broadcasting fund.

³ The provincial shares of the cities of Manila and Baguio and road and bridge shares in cedula collections of Corregidor, Olongapo, and the other municipalities mentioned in Acts Nos. 3382 and 3631 are considered as municipal funds.

	Accruing to—			
	Insular	Provincial	Municipal	Bataan Military Reservation
1930				
Incidental revenue:				
United States internal revenue collected in the Philippines.....	P637, 410. 35	-----	-----	-----
United States internal revenue collected in the United States.....	5, 443. 34	-----	-----	-----
Revenue from public forests.....	1, 822, 886. 52	-----	-----	39, 602. 20
Miscellaneous stamp collections.....	303. 20	-----	-----	-----
Service income:				
Justice of the peace fines and fees.....	374, 477. 17	P74. 94	P16, 235. 83	P266. 60
Radio registration fees ¹	21, 528. 69	-----	-----	-----
Tobacco inspection fees.....	144, 370. 85	-----	-----	-----
Rental of water power.....	193. 10	-----	-----	-----
Fees for the issuance of certificates of taxes paid.....	1, 498. 20	-----	-----	-----
Fees for furnishing list of taxpayers.....	48. 73	-----	-----	-----
Fees for inspection of Chinese books and accounts.....	18, 866. 87	-----	-----	-----
Other fees.....	6. 50	-----	-----	-----
Grand total.....	41, 265, 355. 39	9, 677, 348. 12	4, 984, 574. 41	44, 603. 08

¹ Only 20 per cent of these collections, or P3,708.22 and P597.53 for fees and penalties, respectively, accrues to the insular government, the remaining 80 per cent, or P14,832.88 and P2,390.06 for fees and penalties, respectively, being transferred to the radio broadcasting fund.

The year 1930 began under adverse circumstances, the signs of economic depression making themselves manifest toward the latter part of the year 1929. Compared with the revenue for the previous year, the 1930 collection revealed a decrease of P4,708,061.84, or 7.77 per cent, the 1929 collection having been P60,590,736.68 and the 1930 collection P55,882,674.84. Of this decrease, P4,357,095.89 corresponded to the insular government, the insular share for 1930 being P41,220,752.31;¹ compared with the insular share of P45,577,848.20 corresponding to 1929; P148,749.64 corresponded to the provincial governments, their share for 1930 being P9,677,348.12, and that for 1929 being P9,826,097.76; and P202,216.31 corresponded to the municipal governments, their share for 1930 being P4,984,574.41 and for 1929, P5,186,790.72. It is claimed by business men, whose opinions are authoritative, that the depression from which the country has been suffering can not be any worse than what it has been.

COST OF COLLECTION

During the 10-year period ending with the year 1930, the cost of collecting each peso of revenue was as follows: 1.80 centavos in 1921; 1.62 centavos in 1922; 1.49 centavos in 1923; 1.40 centavos in 1924; 1.50 centavos in 1925; 1.57 centavos in 1926; 1.53 centavos in 1927; 1.62 centavos in 1928; 1.51 centavos in 1929; and 1.75 centavos in 1930.

During the year under consideration the expense incurred in making the bureau of internal revenue function reached the net amount of P980,240.64, as compared with the net cost of operation in 1929 of P915,737.26, or an increase of P64,503.38, equivalent to approximately 14 per cent. This increase was accounted for mainly by the additional expense of printing the new Philippine internal revenue stamps to replace the old ones that had been withdrawn from use. This expense reached P41,970.04, because new dies had to be made for the various denominations of stamps by the Bureau of Printing and Engraving at Washington, D. C. Besides such additional expense, there was a slight increase of P2,938.58 in salaries and wages, an increase that is more than amply justified by the creation of the position of assistant chief of the income

¹ Eighty per cent of the P21,528.69, or P17,222.94, collected as radio registration fees accrued to the radio broadcasting fund and the remaining 20 per cent to the general fund of the insular government.

tax division, of three additional positions of income tax examiner, and of one agent's and three agent's assistant's positions. Other items also showed increases. The small increase in the purchase of equipment is attributable to the purchase of two Ford automobiles used in inspection work in the city of Manila and near-by towns. The need for mobilizing the personnel gave rise to the increase of traveling expenses, the expenses for freight, express, and delivery service, the expenses for postal, telegraph, telephone, and cable service, and of the expenses in connection with the secret service. There was also an increase in the consumption of supplies and materials, on account of the larger number of internal revenue stamps printed during the year.

LEGISLATION

During the year under review eight laws affecting the bureau of internal revenue and the collection of internal revenue taxes were passed. These laws are Acts Nos. 3685, 3709, 3712, 3713, 3734, 3750, 3761, and 3771.

Act No. 3685 amends section 1579 of the Administrative Code by extending the period within which taxpayers may protest against the payment of any internal revenue tax from 10 to 30 days.

Act No. 3709 amends subsections (b) and (c) of section 1449 of the Administrative Code as amended by section 1 of Act No. 3047. The amendment to subsection (b) provides that in the case of the original issue of stock without par value the amount of the documentary stamp tax required therein shall be based upon the actual consideration received by the corporation for the issuance of such stock, and in the case of stock dividends, on the actual value represented by each share. The amendment to subsection (c) provides that in the case of stock without par value the amount of the documentary stamp tax shall be equivalent to twenty per centum of the documentary stamp tax paid upon the original issue of said stock.

Act No. 3712 amends section 1460 of the Administrative Code as amended by Act No. 3293. Under this amendment articles imported into the Philippine Islands and reexported from the same in their original condition by the importer are not subject to the merchants sales tax.

Act No. 3713 amends section 2733 of the Administrative Code by modifying its phraseology so as to remove all doubts as to its true meaning, namely, that all instruments of weight or measure must be sealed before being used in any purchase or sale or in estimating the value of any service furnished, and resealed every year thereafter or within 12 months from the date of last sealing.

Act No. 3734 repeals section 2735 of the Administrative Code and at the same time recreates it. It authorizes the payment of rewards to informers who voluntarily give definite information leading to the arrest and conviction of violators of the Internal Revenue Laws, or to the discovery of any delinquency or fraud in the payment of any internal revenue tax for which the law provides penalties. The amount of the reward is 50 per cent of the fine imposed, or of the compromise paid, or of the statutory penalties paid by, or collected from the taxpayer, as the case may be.

Act No. 3750 is an amendment to subsections (b) and (c) of section 42 of Act No. 2508, the rural credit law, which provides, among other things, that the associations created by the latter act shall not be subject to the payment of the taxes established by all internal revenue laws, nor shall they be required to submit income tax declarations, and that persons making deposits with, or loans to the said associations, or persons borrowing money therefrom, shall also be exempt from the payment of any tax established by existing law or hereafter established for deposits or loans.

Act No. 3761 amends sections 9 (c), 10, 13 (c), and (f), and 25 (a) of Act No. 2833 as amended. The amendments to sections 9 (c) and 13 (e) provide for the collection of the withholding tax of 3 per cent upon the income derived from interests upon bonds and other obligations or securities of a domestic or resident foreign corporation, regardless of the place where such bonds, obligations, or securities are issued or marketed and the interests thereon paid, when such interest-income is received by or paid to nonresident alien individuals and foreign firms or corporations or associations not engaged in business or trade within the Philippine Islands and not having any office or place of business therein. The amendment to section 10 provides for the exemption of cor-

porations, joint-stock companies, partnerships, joint accounts, associations or insurance companies from the payment of income tax on dividends or net profits on which the income tax has been paid at source. Dividends received from corporations exempt from income tax as well as the distributive share in the net profits of duly registered general copartnerships continue to be subject to income tax in the hands of the corporation, firm or association receiving them. The amendment to section 13 (f) provides that the withholding provisions of the law shall apply only to dividends paid by a domestic or a resident foreign corporation which is exempt from income tax under the Income Tax or any other law. The amendment to section 25 (a) provides for the exemption of stock dividends declared by a corporation, firm or association from the payment of the income tax. Under said amendment dividends, whether in cash or other property, continue to be subject to the additional income tax provided for in the law in the hands of the individual stockholder. The provisions of said Act No. 3761 apply to income received from January 1, 1930.

Act No. 3771 amends subsection (f) of section 42 of Act No. 2508, the rural credit law, as amended by Act No. 3750, by providing that instruments covering loans and any other business transactions between agricultural credit cooperative associations and their members shall be exempt from the documentary stamp tax.

ALCOHOLIC PRODUCTS

Distilled spirits.—A comparison of the quantity of distilled spirits removed from distilleries during the years 1929 and 1930 shows a decrease of 4,876,436 proof liters, or 14.40 per cent, the quantity removed in 1929 having been 33,871,279 proof liters and in 1930 28,994,843 proof liters. The collection on domestic distilled spirits registered a decrease from ₱4,847,506.65 corresponding to 1929, to ₱4,211,886.29 in 1930, or ₱635,620.36, or 13.11 per cent. Imported distilled spirits also reflected a decrease in collection from ₱420,842.13 in 1929 to ₱330,646.84 in 1930, or ₱90,195.29, or 21.43 per cent.

At the end of the year under discussion there were in operation throughout the islands 94 registered stills as compared with 91 in operation on December 31, 1929; 87 on December 31, 1928; 86 on December 31, 1927; 83 on December 31, 1926; 80 on December 31, 1925; 80 on December 31, 1924; and 79 on December 31, 1923.

Wines.—The local consumption of still wines and imitation wines was 1,868,062 gage liters in 1929 and 1,736,706 gage liters in 1930, or a per capita consumption of 0.15 and 0.13, respectively.

Fermented liquors.—During 1930 the quantity of domestic and imported beer removed for domestic consumption reached 4,443,954.40 gage liters, as compared with 4,512,365.40 gage liters removed during the previous year, or a per capita consumption of 0.34 and 0.35, respectively. In addition to this quantity, local brewers produced for export and consumption on the high seas 60,657.60 gage liters in 1930 and 80,481.60 gage liters in 1929.

TOBACCO PRODUCTS

Smoking and chewing tobacco.—The quantities of domestic and imported smoking and chewing tobacco on which taxes were collected during the years 1929 and 1930 were as follows:

Kind	1929			1930		
	Domestic	Imported	Total	Domestic	Imported	Total
Smoking tobacco.....	Kilos 511, 010	Kilos 37, 733	Kilos 548, 743	Kilos 464, 724	Kilos 33, 686	Kilos 498, 110
Chewing tobacco.....	271, 650	463, 209	734, 859	262, 981	383, 479	646, 460
Total.....	782, 660	500, 942	1, 283, 602	727, 405	417, 165	1, 144, 570
Decrease.....				55, 255	83, 777	139, 032
Per cent.....				7. 06	16. 72	10. 83

Besides the quantity of smoking and chewing tobacco removed for domestic consumption, local manufacturers exported 28,673 kilos of smoking tobacco in 1929 and 18,861 kilos in 1930, or a decrease of 9,812 kilos, or 34.22 per cent.

Stripped and partially manufactured tobacco.—During the year under discussion there were exported 2,409,204 kilos of stripped and partially manufactured tobacco as compared with 2,292,162 kilos exported during the previous year, or an increase of 117,042 kilos, or 5.11 per cent.

Leaf tobacco.—There was a decrease of 5,515,965 kilos in the exportation of leaf tobacco during 1930, the quantity exported being 20,501,955 kilos as against 26,017,920 kilos exported during the previous year.

Cigars.—During 1930 the total production of cigars was 283,329,002, whereas during the previous year the production was 298,323,085, or a decrease of 14,994,083 cigars, or 5.03 per cent. Of the number of cigars produced in 1930, 102,822,216 cigars, or 36.29 per cent, were consumed in the Philippine Islands; 27,298,662 cigars, or 9.63 per cent, were exported to foreign countries; and 153,208,124 cigars, or 54.08 per cent, were shipped to the United States. During the previous year, 110,747,724 cigars, or 37.12 per cent, were consumed in the Philippine Islands; 31,163,703 cigars, or 10.45 per cent, were exported to foreign countries; and 156,412,658 cigars, or 52.43 per cent, were shipped to the United States.

Cigarettes.—The total production of cigarettes in 1930 was 4,718,684,523 and during the previous year it was 4,974,599,866 cigarettes, or a decrease of 255,915,343 cigarettes, or 5.14 per cent. There was also a decrease from ₱5,793,785.15 in 1929 to ₱5,612,540.26 in 1930, or ₱181,244.89, constituting 3.13 per cent of the total collection on domestic cigarettes. However, the importation of cigarettes was on the increase, the collection in 1929 being ₱1,263,874.56, in comparison with ₱1,437,206.22 in 1930, or an increase of ₱173,331.66, constituting 13.71 per cent of the total. The decrease, therefore, in the collection on domestic cigarettes was almost offset by the increase in imported cigarettes.

Of the number of cigarettes produced in 1930, 4,659,025,295 cigarettes or 98.73 per cent, were consumed in the Philippine Islands; 56,962,776 cigarettes, or 1.22 per cent, were exported to foreign countries; and 2,696,450 cigarettes, or 0.05 per cent, were shipped to the United States. In 1929, 4,811,120,495 cigarettes, or 96.71 per cent, were consumed in the Philippine Islands; 159,180,861 cigarettes, or 3.20 per cent, were exported to foreign countries; and 4,298,510 cigarettes, or 0.09 per cent, were shipped to the United States.

MATCHES

In the case of domestic matches, there was an increase of ₱9,520.76, or 6.30 per cent, over the collection for 1929, although imported matches registered a decrease of ₱62,255.01, or 15.69 per cent, in comparison with the 1929 collections. This decrease must have been caused by the patronage given to the improved, locally manufactured matches, the improvement having been brought about by the importation of new manufacturing machinery.

The following comparative statement shows the number of gross boxes of matches imported and domestic matches removed for domestic consumption during the fiscal years 1929 and 1930:

	1929		1930	
	Gross boxes	Per cent	Gross boxes	Per cent
Domestic.....	369,098.67	27.11	385,038.00	31.52
Imported.....	992,195.11	72.89	836,557.07	68.48
Total.....	1,361,293.78	100.00	1,221,595.07	100.00
Decrease.....			139,698.71	

LICENSE, BUSINESS, AND OCCUPATION TAXES

Dealers in alcohol and tobacco products.—There were collected as privilege taxes on dealers in alcohol and tobacco products during the fiscal year 1930 ₱1,284,905.16 in comparison with ₱1,362,945.16 collected during the previous year, a decrease of ₱78,040, or 5.73 per cent. Of the total collection for the year under review, 29.53 per cent was paid by dealers in distilled spirits and wines; 39.62 per cent by dealers in tobacco products; 24.86 per cent by dealers in fermented liquors, tuba, basi, tapuy, etc.; and 5.99 per cent by manufacturers and peddlers of liquors and tobacco products. For the year 1929 the distribu-

tion was as follows: 31.58 per cent was paid by dealers in distilled spirits and wines; 40.34 per cent by dealers in tobacco products; 25.11 per cent by dealers in fermented liquors, tuba, basi, tapuy, etc.; and 2.97 per cent by manufacturers and peddlers of liquors and tobacco products.

Merchants, manufacturers, common carriers, etc.—There were collected as percentage taxes on merchants, manufacturers, common carriers, and other persons subject to the percentage tax of 1 per cent during the fiscal year 1930, together with the one-half of 1 per cent provided by Act No. 3243, the sum of ₱16,402,443.76 as against ₱19,188,526.55 collected during the fiscal year 1929, showing a decrease of ₱2,786,082.79, or 14.52 per cent. These taxes were collected as follows:

On—	1929		1930	
	Collection	Per cent	Collection	Per cent
Merchants, manufacturers, and peddlers, 1 per cent.....	₱11,986,183.64	62.47	₱10,057,374.84	61.32
One-half of 1 per cent.....	5,824,196.98	30.35	4,865,528.24	29.66
Printers, publishers, contractors, warehousemen, hotel and restaurant keepers, etc.....	1,107,039.03	5.77	1,202,615.83	7.33
Common carriers.....	271,106.90	1.41	276,924.85	1.69
Total.....	19,188,526.55	100.00	16,402,443.76	100.00

The decrease in the sales tax collection may be traced not only to the smaller volume of business transacted during the year but also to the very low prices paid for rice, sugar, hemp, and copra. The economic depression made itself especially manifest in the case of the sales tax, it being the item of revenue in which the greatest decrease was registered, the 1930 collection being ₱14,922,903.08 and the 1929 collection being ₱17,810,380.62, or a decrease of ₱2,887,477.54, equivalent to 16.21 per cent.

Occupations, trades, and professions.—On occupations, trades, and professions, privilege taxes in the amount of ₱1,447,946.90 were collected during 1930 in comparison with the collection of ₱1,546,973.01 for 1929, or a decrease of ₱99,026.11, or 6.4 per cent. Of the collection for 1930, 51.41 per cent was paid by proprietors of cockpits; 19.76 per cent by commercial, stock, and real estate brokers; 28.83 per cent by lawyers, doctors, civil engineers, surveyors, etc. Of the collection for 1929, 55.32 per cent was paid by proprietors of cockpits; 18.85 per cent by commercial, stock, and real estate brokers; and 25.83 per cent by lawyers, doctors, civil engineers, surveyors, etc.

Pursuant to the provisions of the internal revenue law, the privilege tax collections from owners of cockpits and the taxes on cockfights accrue entirely to the treasuries of the various municipalities in which such taxes are collected. Nine hundred and thirteen municipalities and townships availed themselves of the provisions of the law authorizing the imposition by municipal councils of additional taxes on cockpits. The rates of additional privilege taxes thus imposed ranged from ₱2 to ₱16,000 per annum. There were 153 municipalities, townships, and municipal districts in which no cockpit tax receipts were issued during the period covered by this report.

CEDULAS

The cedula tax collected during the year 1930 reached ₱5,351,463 in comparison with ₱5,532,273 collected during the preceding year, a decrease of ₱180,810, or 3.27 per cent. The number of cedulas sold during 1930 was 2,525,810 in comparison with 2,586,475 cedulas sold in 1929, a decrease of 60,665 cedulas.

BANKS AND BANKERS

The following comparative statement, based upon taxes assessed and collected, shows the average amount of capital employed by, average amount of deposits with, and average amount of circulation of banks during the period from July 1, 1928, to June 30, 1929, and from July 1, 1929, to June 30, 1930:

	July 1, 1928, to June 30, 1929	July 1, 1929, to June 30, 1930
Average capital.....	P53,846,843.57	P55,686,392.40
Average deposits.....	160,624,603.91	156,058,685.19
Average circulation.....	22,660,954.08	18,988,458.07

INSURANCE COMPANIES

The following table, based on the statements rendered, shows the total amount of each kind of insurance on which premiums were paid and the average rate of premiums paid during the calendar years 1928 and 1929:

Kind of insurance	1928		1929	
	Total amount of insurance	Average rate of premium	Total amount of insurance	Average rate of premium
		<i>Per cent</i>		<i>Per cent</i>
Fire.....	P436,709,689.64	1.05	P479,639,740.47	0.97
Marine.....	465,477,685.36	.42	472,876,789.10	.44
Life.....	71,458,684.92	-----	92,172,454.62	-----
Accident.....	16,484,393.33	1.45	14,449,319.23	1.58
Fidelity and surety.....	29,464,531.07	1.44	37,955,388.64	1.34
Typhoon and earthquake.....	29,338,999.20	.34	25,091,133.00	.37
Motor cars.....	3,722,309.52	2.94	3,781,588.25	3.21
Personal baggage.....	307,630.00	.96	211,325.00	1.02
War (marine).....	20,013,565.00	.42	19,558,996.00	.41

INCOME TAX

For the third time since the year 1921 the income-tax collection has reached and exceeded the ₱4,000,000 mark. During the year under review the income taxes and penalties collected reached ₱4,379,915.70, which, compared with the collection during 1929, amounting to ₱4,873,039.75, shows a decrease of ₱493,124.05. This decrease in our income-tax collection is mainly due to the fact that during the year 1930 this office refunded to the Manila Railroad Co. the sum of ₱430,947.59 as withholding annual tax collected since the year 1921 on interest upon tax-free covenant bonds paid by it to nonresident bondholders, inasmuch as the petition for a writ of certiorari filed by the attorney general asking for a review of the decision of the local supreme court, holding that the aforementioned withholding taxes are not collectible, has been denied by the Federal Supreme Court. The net decrease in the income-tax collection, amounting to ₱62,176.46, may further be attributed to the business depression which prevailed during the latter part of the year 1929 on account of the rather low prices for the staples of the country, which reduced the number of taxable individual and corporation returns filed in 1930.

During the year 1930 there were filed 21,611 (6,877 taxable and 14,734 exempt) individual returns and 4,499 (2,530 taxable and 1,969 exempt) corporation returns, or a total of 26,110 individual and corporation returns. During the preceding year 1929 there were filed 21,144 (7,098 taxable and 14,046 exempt) individual returns, and 4,528 (2,764 taxable and 1,764 exempt) corporation returns, or a total of 25,672 individual and corporation returns. The total number of returns filed during 1930 exceeded by 438 the number of returns filed during 1929. It will, however, be noted that the number of taxable individual returns filed during 1930 was less by 221 the number of taxable individual returns filed in 1929, and the number of taxable corporation returns filed during 1930 was less by 234 than the taxable returns filed during the year 1929. The decrease in the number of taxable individual and corporation returns filed in 1930 may be accounted for by the larger number of delinquent individual and corporation returns filed in 1929 in comparison with that filed during 1930, the number for 1929 being 1,493 and that for the year under consideration, 1,154. The effect of the depression toward the latter part of the year 1929 was reflected in the net decrease of ₱2,551,034.14 in the amount of the net income declared in taxable individual returns corresponding to the said year 1929 compared with

the net income reported in the returns for 1928, the income for the latter year being ₱105,206,010.91. The decrease in the income-tax collection for 1930 would have been bigger had it not been for the fact that for the calendar year 1929 there was a total increase of ₱10,114,875.41 in the net income reported in the taxable corporation returns for 1929 over the net income reported for 1928, which was ₱72,351,429.46.

It may be surprising to note that while there was a decrease in the taxable net income of individuals, yet there was an increase in the taxable net income of corporations. The explanation is that individual returns are filed on the basis of the calendar year, whereas corporation returns are generally filed on the basis of their fiscal years. In other words, individual incomes declared in the returns suffered the full effect of the depression during the latter part of 1929, whereas a good number of corporation incomes did not suffer such adverse effects, because the respective fiscal years of such corporations ended prior to the beginning of the depression.

INHERITANCE TAX

For the first time since 1916 the collection from this source reached the ₱1,000,000 mark and exceeded the collection of the year previous by ₱365,255.71. The total inheritance-tax collection for the year 1930 was ₱1,032,275.18 in comparison with the collection of ₱667,019.47 in 1929, or an increase of about 55 per cent. The transmission of one estate valued at more than ₱8,800,000 was mainly responsible for the exceptional increase in collection from this revenue.

During the period covered by this report there were filed 1,943 inheritance-tax returns involving a total net inventoried value of property transmitted amounting to ₱42,688,139.02, as against 2,042 inheritance-tax returns filed during the year 1929, reflecting a total net inventoried value of ₱22,601,784.16. It will be noted that although there was a smaller number of returns filed during the year as compared with that of the previous year the value of property transmitted was nearly double that of the year 1929.

On January 1, 1930, Act No. 3606, amending certain sections of the Administrative Code, as amended by Acts Nos. 2835 and 3031, took effect. This act was passed by the Philippine Legislature on December 2, 1929. This law is briefly discussed in the annual report of the collector of internal revenue for 1929.

FRANCHISE TAX

Of the total collection of ₱501,857.69 as franchise taxes and penalties in 1930, ₱183,318.46 accrued to the insular government, ₱234,563.76 to the city of Manila, ₱20,540.88 to Provinces, and ₱63,434.59 to other municipalities.

PEARL FISHING

Under the provisions of Act No. 2604, there was collected during the year covered by this report the amount of ₱3,757.50, as compared with ₱3,327.50 collected during the previous year, or an increase of ₱430. This collection accrued intact to the treasuries of the respective Provinces where collected.

SPONGE FISHING

There were no fees nor penalties collected under Act No. 2584 during the year covered by this report. In 1929 the amount of ₱217.52 was collected, of which 20 per cent or ₱43.50 accrued to the insular treasury, 40 per cent or ₱87.01 to the provincial treasuries, and 40 per cent or ₱87.01 to the municipal treasuries concerned.

FIREARMS FEES

The total amount of firearms fees collected in 1930, pursuant to Act No. 3097, amounted to ₱150,881.43, as compared with ₱151,191.37 collected in 1929. The 1930 collections consisted of ₱142,390.48 as taxes and ₱8,490.95 as penalties.

SPARRING OR BOXING EXHIBITIONS

Under the provisions of Act No. 2984, the taxes and penalties collected on sparring or boxing exhibitions during the year amounted to ₱9,115, as compared with ₱10,125 collected during the previous year, or a decrease of ₱1,010 or 9.09 per cent.

RADIO REGISTRATION FEES

The registration of radio receiving sets during this year is characterized by a marked increase in the number of tube receivers and a decrease in the number of crystal receivers, as compared with the registration of radio sets during the preceding year. There were, for instance, registered during the year 1930, 1,655 tube receivers and 2 crystal receivers as against 680 tube receivers and 25 crystal receivers registered during the previous year. Taken by and large, all indications point to the fact that in the future the registration of radio receiving sets will always show an unprecedented increase every year. The installation of a new transmitter which greatly improved broadcasting has induced more persons to purchase radio receiving sets. The following statement shows the collections made as radio registration fees and the apportionment thereof:

Year	Collection			Accruing to—	
	Fees	Penalties	Total	Insular funds	Radio broadcasting funds
1927.....	P3, 194. 10	P122. 58	P3, 316. 68	P663. 34	P2, 653. 34
1928.....	5, 497. 40	319. 73	5, 817. 13	1, 163. 43	4, 653. 70
1929.....	8, 873. 60	906. 34	9, 779. 94	1, 955. 99	7, 823. 95
1930.....	18, 541. 10	2, 987. 59	21, 528. 69	4, 305. 75	17, 222. 94

THE TOBACCO PROMOTION WORK OF THE BUREAU

The Philippine cigar trade in the United States.—Notwithstanding the severe economic depression which prevailed during the year just ended and the fact that tobacco products in whatever form are considered luxuries, the trade with the United States suffered a small decrease of 2,507,313 cigars, the exportation in 1929 being 156,641,727 cigars and that for 1930, 154,134,414 cigars. The various causes of the decline of the Philippine cigar trade in the United States are briefly mentioned in the report for the year 1929. Not only was there a reduction in the number of cigars shipped to the United States in 1930 but there was also a reduction in the average price per thousand cigars shipped to that market, the price for 1929 being P40.85 and that for 1930, P39.43. The lowering of prices was inevitable, because successful competition in a market of declining prices always calls for the lowering of the prices of the competing commodities. Large American cigar manufacturers had reduced their prices in 1930, so that by force local manufacturers had also to reduce theirs.

Taking into account the unfavorable circumstances surrounding the trade in the United States, Messrs. C. A. Bond and D. F. Morris, Philippine tobacco agents, intensified their work of popularizing the Philippine cigar by traveling extensively throughout the country and doing everything in their power to encourage dealers in the commodity to push the sale of their goods, and at the same time they also exerted efforts to interest other tobacco dealers to handle our products.

An innovation recently adopted in the packing of cigars by the use of cellophane wrapping has proved of great value for the keeping in proper condition of Philippine cigars shipped to the American market. This kind of wrapping prevents the easy contamination of cigars, as well as their rapid drying, so that American importers have expressed their satisfaction over the cigars which they receive in practically the same condition as when they left this country. As a matter of fact, one of the main defects pointed out with reference to Philippine cigars was that they arrive in the United States altogether too dry, which shortcoming is being overcome by the use of cellophane wrapping.

The Philippine tobacco trade in China.—Political conditions continuing to be uncertain in China during the year and the low value of silver, coupled with the high tariff imposed by the Chinese Government on tobacco imports into that country, may be given as reasons for the declining tendency of the Philippine tobacco trade in the Chinese market. The following table indicates the de-

crease of the quantities of Philippine tobacco products exported to China during 1930, as compared with 1929:

	1929	1930
Cigars.....	13,968,051	13,205,594
Cigarettes.....	139,342,185	39,764,650
Stripped and partially manufactured tobacco.....kilos..	154,801	39,185
Smoking and chewing tobacco.....kilos..	5,563	7,210

The publicity campaign under Act No. 3424.—Under Act No. 3424, which carries an appropriation of ₱300,000 for tobacco propaganda, the tobacco board spent in the United States the sum of ₱19,481.84 from January 1 to June 30, 1930, and ₱25,315.25 from July 1 to December 31, 1930, or a total of ₱44,797.09, during the whole year. As stated in the report for 1929, while the law sets aside the amount just mentioned for propaganda work in foreign countries, yet so far efforts have been concentrated on the American market, it being the best market for Philippine cigars. The factories desiring to take advantage of this tobacco propaganda being required to expend the same amount as that which is expended by the government, the above total represents but half of that which was expended for propaganda under the said Act No. 3424 during 1930. The propaganda plan for the first six months of the year contained the same terms and conditions as those of the plan for the last six months of 1929, and for the period from July 1 to December 31, 1930, the rates of allotment were increased from ₱0.30 to ₱0.40 per thousand of class A cigars, from ₱0.75 to ₱1.00 per thousand of class B, and from ₱3.00 to ₱4.00 per thousand of classes C, D, and E, the apportionment being based upon the quantities exported to the United States during the previous year by the factory advertising. This increase of allotment was considered necessary by the board so that the propaganda undertaken might be enhanced.

The tobacco board.—The members of the tobacco board during 1930 continued as follows: Mr. Juan Posadas, collector of internal revenue, ex officio chairman; Dr. S. Youngberg, director of the bureau of animal husbandry, member; Mr. Tomas Confesor, director of the bureau of commerce and industry, member; Mr. P. A. Meyer, representative of the Manila Tobacco Association, member; Mr. Felix Valencia, representative of the Manila Tobacco Association, member; Mr. V. T. Fernandez, representative of the tobacco producers and growers, member; and Dr. L. O. Manzanillo, representative of the tobacco producers and growers, member.

Mr. Tomas Confesor became a member of the tobacco board when he assumed the duties of director of the bureau of commerce and industry on November 26, 1930, and before this date Mr. M. J. de la Rama, acting director, acted as member of the board.

The tobacco board held meetings during the year 1930 on May 19, May 27, September 15, October 21, November 25, December 15, and December 22. The board made an original allotment of ₱169,212 for the year to carry on the various activities undertaken under Act No. 2613, as amended by Act No. 3179, and an additional allotment of ₱6,000, making the total allotment from the tobacco inspection fund during the year of ₱175,212. Several transfers of funds under certain items of the allotment were also made by the board. These transfers were necessary to adjust properly the accounts.

The tobacco inspection fund.—During the year 1930 there accrued as income to the fund the sum of ₱144,398.33, which, added to the balance on hand at the end of the year, amounting to ₱66,244.40, and the unexpended allotment which reverted to the fund, amounting to ₱9,094.73, gave a total of ₱219,737.46 available for expenditures during the year, under the terms of Act No. 2613, as amended by Act No. 3179. The expenditures reached ₱166,117.27, so that the balance on hand at the end of the year was ₱53,620.19.

BUREAU OF THE TREASURY

Statement showing distribution of cash balances

Names of funds	Cash in treasury vaults		Cash in banks		Total expressed in Philippine currency (pesos)
	United States currency (dollars)	Philippine currency (pesos)	United States currency (dollars)	Philippine currency (pesos)	
General fund.....		4, 192, 930.965	12, 968, 888.015	3, 516, 601.77	33, 647, 317.765
Gold standard fund.....	2, 016, 162.11	6, 337, 853.00	11, 886, 016.80	---	34, 242, 210.82
Treasury certificate fund.....	1, 850, 000.00	13, 007, 288.00	40, 607, 553.50	---	97, 922, 896.00
Depository funds:					
Austin memorial fund.....		24.58	---	---	24.58
Coast and Geodetic Survey disbursing officers' accounts.....		4, 601.00	---	---	4, 601.00
Fourth of July celebration fund.....		2, 228.43	---	---	2, 228.43
Insular disbursing officers' account.....		825, 553.21	---	---	825, 553.21
Miley-order fund.....		5, 323, 321.66	---	---	5, 323, 321.66
Philippine National Bank emergency fund.....		55, 238.67	---	---	55, 238.67
Treasurer of the United States and United States disbursing officers' accounts.....		1, 746, 369.70	---	---	1, 746, 369.70
Treasury overage account.....		296.35	---	---	296.35
National Development Co.....		68, 647.48	---	---	68, 647.48
Manila Railroad Co., Acts Nos. 1510 and 1592 (expropriation cases).....		---	---	48, 428.93	48, 428.93
Bank of the Philippine Islands circulating notes redemption fund, Act No. 3330.....		---	975, 000.00	---	975, 000.00
United States military reservation, Bataan.....		44, 011.14	---	---	44, 611.14
United States internal revenue documentary stamps.....		42, 492.50	---	---	42, 492.50
Manila Electric Light Co. expropriation cases.....		---	---	20, 700.00	20, 700.00
Insular treasurer, insurance commissioner ex officio.....		598.33	---	---	598.33
Sinking funds:					
Land purchase bonds, Acts Nos. 1749 and 2350.....		264, 201.39	217, 150.52	---	685, 402.43
Public works bonds, first series, Acts Nos. 1301 and 1729.....		185, 312.31	38, 136.56	---	261, 856.43
Public works bonds, second series, Acts Nos. 1449 and 1729.....		50, 367.26	83, 828.92	---	218, 025.10
Public works bonds, third series, Act No. 1954.....		59, 875.09	21, 428.94	---	102, 732.97
Manila Railroad Co. purchase bonds, Acts Nos. 2615, 2624, and 2625.....		235, 831.19	926.33	---	237, 403.85
Public improvement bonds, Act No. 2940.....		193, 387.38	419, 383.95	---	1, 032, 175.28
Financial interest protection bonds, Act No. 2999.....		134, 628.97	1, 015.99	---	75, 658.07
Irrigation and permanent public works bonds, Act No. 3013 (sundry purposes).....		260, 508.77	161, 922.45	---	135, 516.51
Currency bonds, first and second series, Act No. 3058.....		4, 095.26	---	---	584, 354.67
Cebu port works and improvement bonds, first series, Act No. 3413.....		41, 713.98	---	---	4, 095.26
Iloilo port works and improvement bonds, second series, Act No. 3413.....		2, 324.42	15, 200.00	---	58, 113.98
Iloilo port works and improvement bonds, first series, Act No. 3417.....		19, 371.33	---	---	32, 824.42
Metropolitan water district bonds, second series, Act No. 3417.....		14, 200.21	60, 325.34	---	19, 371.33
Metropolitan water district bonds, first series Act No. 3255.....		58, 114.00	---	---	134, 850.89
Metropolitan water district bonds, first series Act No. 3255.....		---	---	---	58, 114.00

Statement showing distribution of cash balances—Continued

Names of funds	Cash in treasury vaults		Cash in banks		Total expressed in Philippine currency (pesos)
	United States currency (dollars)	Philippine currency (pesos)	United States currency (dollars)	Philippine currency (pesos)	
Sinking funds—Continued.					
City of Manila sewer and water bonds, first series, Acts Nos. 1323 and 2823.....		70, 037.51	158, 033.30		386, 104.11
City of Manila sewer and water bonds, second series, Acts Nos. 1323 and 2832.....					7, 385.12
City of Manila sewer and water bonds, third series, Acts Nos. 1323 and 2832.....					1, 895.14
City of Cebu sewer and water bonds, Act No. 2009.....		6, 331.38	526.87		6, 858.25
Municipality of Santa Cruz, Laguna, sewer and water bonds, Act No. 2773.....		1, 850.70	22.22		1, 872.92
Municipality of Marikina, Laguna, sewer and water bonds, Act No. 2773.....		562.74	417.45		1, 080.19
Municipality of Benguet, Abra, water bonds, Act No. 2438.....		533.97	1, 037.03		1, 571.00
City of Manila public improvement bonds, first series, Act No. 3456.....		171.30	9, 600.00		9, 771.30
City of Manila public improvement bonds, Act No. 2804.....		126, 545.98	73, 133.93		200, 679.91
Province of Iloilo public improvement bonds, Act No. 3222.....		4, 078.28	73, 697.72		78, 776.00
Municipality of Cabaatuan, Iloilo, public improvement bonds, Act No. 3222.....		331.82	154.00		485.82
Municipality of Dingle, Iloilo, public improvement bonds, Act No. 3222.....		845.81	138.64		984.45
Municipality of Iloilo, Iloilo, public improvement bonds, Act No. 3222.....		1, 381.93	573.30		1, 955.23
Municipality of Iloilo, Iloilo, public improvement bonds, Act No. 3222.....		2, 683.24	148.93		2, 832.17
Municipality of Iloilo, Iloilo, public improvement bonds, Act No. 3222.....		1, 939.17			1, 939.17
Municipality of La Paz, Iloilo, public improvement bonds, Act No. 3222.....		126.10	57.00		183.10
Municipality of Maasin, Iloilo, public improvement bonds, Act No. 3222.....		1, 052.94	235.64		1, 288.58
Municipality of Pototan, Iloilo, public improvement bonds, Act No. 3222.....		1, 135.45	1, 941.91		3, 077.36
Municipality of Santa Barbara, Iloilo, public improvement bonds, Act No. 3222.....		710.54	123.25		833.79
Province of Pangasinan public improvement bonds, Act No. 3229.....		3, 804.14	151.75		3, 955.89
Province of Iloilo Norte public improvement bonds, Act No. 3229.....		3, 921.76	7, 737.30		11, 659.06
Province of Iloilo Norte public improvement bonds, Act No. 3229.....		10, 658.88	528.81		11, 187.69
Municipality of Bacarra, Ilocos Norte, public improvement bonds, Act No. 3266.....		2, 417.44	67.00		2, 484.44
Municipality of Ilocos Norte, Ilocos Norte, public improvement bonds, Act No. 3266.....		595.86	740.53		1, 336.39
Municipality of Pasquin, Ilocos Norte, public improvement bonds, Act No. 3266.....		162.96	96.00		258.96
Province of Marikina public improvement bonds, Act No. 3268.....		216.71	1, 425.06		1, 641.77
Province of Marikina public improvement bonds, Act No. 3268.....		986.12	2, 409.22		3, 395.34
Province of Ilocos Sur public improvement bonds, Act No. 3278.....		161.39	2, 962.95		3, 124.34
Province of Ilocos Sur public improvement bonds, Act No. 3278.....		7, 024.38	1, 533.05		8, 557.43
Province of Ilocos Sur public improvement bonds, Act No. 3279.....		3, 682.86	4, 437.76		8, 120.62
Municipality of Camarines Sur, public improvement bonds, Act No. 3280.....		290.55			290.55
Municipality of Camarines Sur, public improvement bonds, Act No. 3280.....		290.55			290.55
Municipality of Camarines Sur, public improvement bonds, Act No. 3280.....		871.71			871.71
Municipality of Camarines Sur, public improvement bonds, Act No. 3280.....		2, 150.19			2, 150.19
Province of Pampanga public improvement bonds, Act No. 3282.....		1, 552.73	10, 932.75		12, 485.48
Province of Nueva Ecija public improvement bonds, Act No. 3282.....		2, 323.86	6, 972.72		9, 300.58
Province of Bulacan public improvement bonds, Act No. 3331.....		1, 688.08	4, 255.26		5, 943.34

Province of La Union public improvement bonds, Act No. 3281.					1,384.65
City of Manila lowland improvement bonds, Act No. 3352.					27,886.54
Bond funds:					
Financial interest protection bonds, Act No. 2999.			574.55		
Manila port works and improvement bonds, Act No. 2908.			13,466.25		
Cebu port works and improvement bonds, Act No. 3413.				5,078,000.00	10,156,000.00
City of Manila lowland improvement bonds, Act No. 3352.				302,182.50	1,076,775.26
City of Manila works and improvement bonds, Act No. 3417.				816,273.76	2,505,818.54
Province of Cebu public improvement bonds, Act No. 3331.				33,095.455	68,159.57
Province of Ilocos Norte and 3 municipalities public improvement bonds, Act No. 3280.				921,517.855	3,445,672.02
Province of Ilocos Sur and municipality of Vigan public improvement bonds, Act No. 3278.				19,851.87	66,485.08
Province of Laguna public improvement bonds, Act No. 3265.				25,530.51	801.80
Province of La Union public improvement bonds, Act No. 3281.				25,903.36	51,061.02
Province of Nueva Ecija public improvement bonds, Act No. 3329.					61,044.20
Province of Pampanga public improvement bonds, Act No. 3282.					81,044.20
Public improvement bonds of 1921, Act No. 2940.				16,427.09	35,137.44
Special funds:					774.34
Fidelity insurance fund, Acts Nos. 1739 and 2711.					6,648.00
Land-tide assurance fund, Act No. 496.				18,976.625	44,601.25
Property insurance fund, Act No. 2711.				2,519,051.40	5,953,580.76
Loan fund, Acts Nos. 3335 and 3420.					
Miscellaneous (other bureaus)					
Fiduciary funds:					
City of Manila sewer and water bonds, Acts Nos. 1323 and 2832, interest fund.					39,550.37
City of Cebu sewer and water bonds, Act No. 2909, interest fund.					102,355.12
Municipality of Santa Cruz, Laguna, sewer and water bonds, Act No. 2773, interest fund.					403,553.54
Pampanga electric-light franchise.					1,123.00
Municipality of Bangued, Abra, water bonds, Act No. 2833, interest fund.					1,000.00
City of Manila permanent improvement bonds, Act No. 3456, interest fund.					500.00
Metropolitan water district bonds, Act No. 3204, interest fund.					45,000.00
Pulupandan-Isabela, railroad franchise.					563,440.00
City of Manila, public improvement bonds, Act No. 2894, interest fund.					3,000.00
Province of Iloilo, public improvement bonds, Act No. 3222, interest fund.					446,856.00
Municipality of Cabaatuan, Iloilo, public improvement bonds, Act No. 3223, interest fund.					12,897.00
Municipality of Dingle, Iloilo, public improvement bonds, Act No. 3222, interest fund.					180.00
Municipality of Iloilo, Iloilo, public improvement bonds, Act No. 3222, interest fund.					450.00
Municipality of Jare, Iloilo, public improvement bonds, Act No. 3222, interest fund.					7,605.00
Municipality of La Paz, Iloilo, public improvement bonds, Act No. 3222, interest fund.					2,115.00
Municipality of Maasin, Iloilo, public improvement bonds, Act No. 3222, interest fund.					1,800.00
Municipality of Pavia, Iloilo, public improvement bonds, Act No. 3222, interest fund.					67.50
Municipality of Pototan, Iloilo, public improvement bonds, Act No. 3222, interest fund.					562.50
Municipality of Santa Barbara, Iloilo, public improvement bonds, Act No. 3222, interest fund.					3,584.25
Province of Pangasinan, public improvement bonds, Act No. 3223, interest fund.					2,358.00
Province of Occidental Negros, public improvement bonds, Act No. 3229, interest fund.					38,565.00
Province of Ilocos Norte, public improvement bonds, Act No. 3296, interest fund.					36,000.00
Municipality of Bacarra, Ilocos Norte, public improvement bonds, Act No. 3296, interest fund.					19,890.00
Municipality of Laoag, Ilocos Norte, public improvement bonds, Act No. 3296, interest fund.					315.00
Municipality of Pasiguit, Ilocos Norte, public improvement bonds, Act No. 3296, interest fund.					4,005.00
Province of Marinduque, public improvement bonds, Act No. 3268, interest fund.					450.00
Province of Laguna, public improvement bonds, Act No. 3265, interest fund.					2,497.50
					4,436.00

Statement showing distribution of cash balances—Continued

Names of funds	Cash in treasury vaults		Cash in banks		Total expressed in Philippine currency (pesos)
	United States currency (dollars)	Philippine currency (pesos)	United States currency (dollars)	Philippine currency (pesos)	
Fiduciary funds—Continued.					
San Antonio, Nueva Ecija, electric-light franchise.....		1,000.00			1,000.00
Mariquina, Rizal, electric light franchise, D. Bautista.....		1,000.00			1,000.00
Mariquina, Rizal, Electric Light Plant Co.....				1,050.00	1,050.00
Province of Camarines Sur public improvement bonds, Act No. 3280, interest fund.....		7,110.00			7,110.00
Municipality of Canaman, Camarines Sur, public improvement bonds, Act No. 3280, interest fund.....					
Municipality of Canaman, Camarines Sur, public improvement bonds, Act No. 3280, interest fund.....		225.00			225.00
Municipality of Magarao, Camarines Sur, public improvement bonds, Act No. 3280, interest fund.....		225.00			225.00
Municipality of Naga, Camarines Sur, public-improvement bonds, Act No. 3280, interest fund.....		675.00			675.00
Provincial and municipal public-improvement bonds, interest fund.....		1,665.00			1,665.00
Candelaria, Tayabas, electric-light franchise.....		173,468.75			173,468.75
Cavite electric-light franchise, Act No. 667.....		1,000.00			1,000.00
Province of La Union, public-improvement bonds, Act No. 3281, interest fund.....		1,000.00			1,000.00
City of Manila lowland-improvement bonds, Act No. 3352, interest fund.....		7,397.50			7,397.50
City of Manila permanent-improvement bonds, Act No. 3456.....		22,500.00			22,500.00
1863 earthquake fund, Act No. 2109.....		10,293.16			10,293.16
Samar Electric Light & Power Development Co.....		25,745.92			25,745.92
C. B. Carter electric-light franchise, Act No. 667.....		1,000.00		1,265.56	1,000.00
Alaminos, Laguna, electric-light franchise.....		1,000.00			1,000.00
Jose de Leon, San Miguel, Bulacan, electric-light franchise.....		1,000.00			1,000.00
Camiling, Tarlac, electric-light franchise.....		1,000.00			1,000.00
San Rafael, Bulacan, electric-light franchise, P. N. Santiago.....		1,000.00			1,000.00
Postal Savings Bank.....		1,616,713.72			1,616,713.72
Miscellaneous (other bureaus)		11,392,458.83			11,392,458.83
Guimba electric-light franchise—Nueva Ecija.....		1,000.00			1,000.00
San Jose, Nueva Ecija, electric-light franchise.....		1,000.00			1,000.00
San Jose, Antique, electric-light franchise, I. Perez.....		1,000.00			1,000.00
San Isidro, Nueva Ecija, electric-light franchise.....		1,000.00			1,000.00
Visayan Electric Co.....		1,000.00			1,000.00
Silay Electric Ice Plant Co.....		1,000.00			1,000.00
Philippine Long Distance Telephone Co.—Tarlac.....		1,000.00			1,000.00
Philippine Long Distance Telephone Co.—Dagupan.....		1,000.00			1,000.00
Philippine Long Distance Telephone Co.—Malolos, Bulacan.....		1,000.00			1,000.00
Philippine Long Distance Telephone Co.—San Fernando, La Union.....		1,000.00			1,000.00
Total.....	3,866, 162.11	46, 209, 446.795	77, 547, 190.81	3, 588, 046.26	212, 624, 198.895

Location of cash balances in banks

Bank credits	General fund	Gold standard fund	Treasury certificate fund	Depository funds	Sinking funds	Bonds fund	Fiduciary funds	Total
UNITED STATES BANKS								
Chase National Bank, New York City: Demand deposits at 3 per cent interest per annum. Time deposits at 3½ per cent interest per annum.	\$1,468,888.015	\$4,223,067.90	\$500,939.00			\$2,880,282.215		\$9,078,227.13
American Trust Co., San Francisco, Calif. ¹		657,943.60	1,106,564.50	\$975,000.00	\$1,332,922.37	2,896,528.21		6,968,963.68
Baltimore Trust Co., Baltimore, Md. ¹		500,000.00	500,000.00			1,000,000.00		500,000.00
Bank of America National Trust & Savings Association, San Francisco, Calif. ¹								1,500,000.00
Bankers Trust Co., New York City ¹			500,000.00					500,000.00
Camden Safe Deposit & Trust Co., Camden, N. J. ¹			1,500,000.00					1,500,000.00
Canal Bank & Trust Co., New Orleans, La. ¹			500,000.00					500,000.00
Central Penn National Bank of Philadelphia, Pa.			750,000.00					750,000.00
Central Trust Co. of Illinois, Chicago, Ill. ¹		1,000,000.00						1,000,000.00
Central United National Bank, Cleveland, Ohio ¹	500,000.00		1,000,000.00					1,000,000.00
Chatham Phoenix National Bank & Trust Co., New York City, N. Y. ¹			500,000.00					1,000,000.00
East Tennessee National Bank, Knoxville, Tenn. ¹	1,000,000.00							1,000,000.00
Commerce Trust Co. of Kansas City, Mo. ¹			500,000.00					500,000.00
Commercial National Bank, Washington, D. C. ¹			1,500,000.00					1,500,000.00
Continental Illinois Bank & Trust Co., Chicago, Ill. ¹	250,000.00	250,000.00	3,000,000.00					1,000,000.00
Crocker First National Bank of San Francisco, Calif. ¹		1,000,000.00						3,500,000.00
Drovers National Bank, Chicago, Ill. ¹			500,000.00					1,000,000.00
Farmers Deposit National Bank of Pittsburgh, Pa. ¹		500,000.00	500,000.00					500,000.00
First National Bank at Pittsburgh, Pittsburgh, Pa. ¹			1,000,000.00					1,000,000.00
First National Bank at Dallas, Tex. ¹			500,000.00					500,000.00
First National Bank of Baltimore, Baltimore, Md. ¹			500,000.00					500,000.00
First National Bank of Joliet, Ill. ¹	500,000.00							500,000.00
First National Bank, Philadelphia, Pa. ¹			500,000.00					500,000.00
Guaranty Trust Co. of New York, New York City ¹		1,000,000.00	1,500,000.00					3,000,000.00
Guardian Detroit Bank, Detroit, Mich. ¹			1,000,000.00					2,500,000.00
Harris Trust and Savings Bank, Chicago, Ill. ¹			1,000,000.00					1,000,000.00
Lycoming Trust Co., Williamsport, Pa. ¹			500,000.00					500,000.00
Market Street National Bank, Philadelphia, Pa. ¹			1,500,000.00					500,000.00
Mellon National Bank, Pittsburgh, Pa. ¹	250,000.00		1,250,000.00			1,000,000.00		1,500,000.00
Mercantile-Commerce Bank & Trust Co., St. Louis, Mo. ¹	250,000.00	500,000.00						1,500,000.00
Mercantile National Bank, Cedar Rapids, Iowa ¹	500,000.00		500,000.00					1,750,000.00
Mississippi Valley Trust Co., St. Louis, Mo. ¹	500,000.00							500,000.00
New York State National Bank, Albany, N. Y. ¹			1,000,000.00					1,000,000.00
Old Colony Trust Co., Boston, Mass. ¹								250,000.00
Old Kent Bank, Grand Rapids, Mich. ¹	250,000.00							500,000.00
Second National Bank of Washington, D. C. ¹			500,000.00					500,000.00
Security-First National Bank of Los Angeles, Calif. ¹	1,500,000.00		500,000.00					2,000,000.00

¹ Time deposits at 3½ per cent interest per annum.

Location of cash balances in banks—Continued

Bank credits	General fund	Gold standard fund	Treasury certificate fund	Depository funds	Sinking funds	Bonds fund	Fiduciary funds	Total
UNITED STATES BANKS—continued								
The Bank of Manhattan Trust Co., New York City ¹	\$750,000.00		\$500,000.00					\$750,000.00
The Bank of Pittsburgh National Association, Pittsburgh, Pa. ¹	500,000.00		500,000.00					1,000,000.00
The Exchange National Bank of Tulsa, Tulsa, Okla. ¹			500,000.00			\$500,000.00		1,000,000.00
The First National Bank of Atlanta, Atlanta, Ga. ¹			500,000.00					1,000,000.00
The First National Bank, Birmingham, Ala. ¹			500,000.00					1,000,000.00
The First National Bank & Trust Co., Tulsa, Okla. ¹	750,000.00		2,000,000.00					2,750,000.00
The Fletcher American National Bank of Indianapolis, Ind. ¹			500,000.00					500,000.00
The Fulton National Bank of Atlanta, Ga. ¹		\$500,000.00	500,000.00					1,000,000.00
The Huntington National Bank, Columbus, Ohio. ¹		250,000.00						250,000.00
The Mahoning National Bank, Youngstown, Ohio. ¹			750,000.00					750,000.00
The Marine Midland Trust Co. of New York, N. Y. ¹	500,000.00							500,000.00
The Midland National Bank & Trust Co., Minneapolis, Minn. ¹	1,500,000.00					1,000,000.00		2,500,000.00
The National City Bank of the Republic of Chicago, Ill. ¹			1,500,000.00					1,500,000.00
The National City Bank of New York, New York City ¹			1,250,000.00					1,250,000.00
The National Shawmut Bank of Boston, Mass. ¹	250,000.00		500,000.00					750,000.00
The New Haven Bank, New Haven, Conn. ¹			500,000.00					500,000.00
The North Western National Bank, Minneapolis, Minn. ¹			500,000.00					500,000.00
The Omaha National Bank, Omaha, Neb. ¹			500,000.00					500,000.00
The Pacific National Bank of Seattle, Wash. ¹			500,000.00					500,000.00
The Philadelphia National Bank, Philadelphia, Pa. ¹			1,000,000.00					1,000,000.00
The Riggs National Bank of Washington, D. C. ¹			1,500,000.00					1,500,000.00
The Union Trust Co., Cleveland, Ohio. ¹			500,000.00			500,000.00		1,000,000.00
The United States National Bank, Portland, Oreg. ¹	500,000.00							500,000.00
The United States National Bank, Galveston, Tex. ¹	500,000.00							500,000.00
United States National Bank, New York City ¹	750,000.00		1,000,000.00					1,750,000.00
Wells Fargo Bank & Union Trust Co., San Francisco, Calif. ¹		1,000,000.00						1,000,000.00
Whitney National Bank, New Orleans, La. ¹		500,000.00						500,000.00
Total	12,968,888.015	11,886,016.50	40,607,553.50	\$975,000.00	\$1,332,922.37	9,776,810.425		77,547,190.81
PHILIPPINE BANKS								
Philippine National Bank, Manila:								
Fixed deposits at 3½ per cent interest per annum								
Current account	P2,360,424.71			P48,128.93			P1,265.56	P2,409,819.20
Special account	979,932.05							979,932.05
Bank of the Philippine Islands, Manila—fixed deposits at 5 per cent interest per annum	176,245.00							176,245.00
Peoples' Bank & Trust Co., Manila—fixed deposits at 5 per cent interest per annum				21,000.00				21,000.00
Total	3,516,601.77			69,128.93			1,050.00	3,588,046.26

¹ Time deposits at 3½ per cent interest per annum.

SPECIAL FUNDS

Land-title assurance fund, Act No. 496.—The purpose of this fund is to reimburse anyone who may lose title to property under the circumstances specified in Act No. 496.

The income of the fund is derived from percentage fees on lands registered and from interest and dividends on investments.

No claim against the fund was paid during the year under review.

Property insurance fund, Act No. 2711 (secs. 336-341).—This fund has for its purpose the insurance of government vessels and crafts, government machinery, permanent public buildings, government property stored therein, and government property stored in rented buildings, against destruction or damage resulting from fire, earthquake, storm, or other casualty.

With the exception of the properties of the insular government, for which the law provides insurance free of charge without formality of any sort, all other properties belonging to a province, city, municipality, or other local political division are insured only upon application made by the proper board and council of the Province and city or municipality, respectively, and the approval thereof by the secretary of finance. The premium rates for insurance are fixed by the insular treasurer with the approval of the secretary of finance.

The income of the fund consists of premiums on insurance, profits from investments, and a continuing annual appropriation of ₱50,000 to maintain the fund at a level of not less than ₱500,000. Whenever the total claims against the fund exceed the capital, surplus, and reserves pertaining thereto, the amount necessary to cover the deficit is advanced from the general fund.

The claims against the property insurance fund paid during the year under review amounted to ₱20,337.04, or ₱41,892.52 less than those paid during 1929. The particulars of the claims are as follows:

1. Province of Camarines Sur—Damages to the two market buildings of the municipality of Iriga caused by typhoon	₱504. 11
2. Province of Cotabato—Damages to the Cotabato elementary-school building annex caused by earthquake	1, 319. 66
3. Province of Cotabato—Damages to the provincial government building caused by earthquakes (new provincial high school)	778. 55
4. Province of Cotabato—Damages to the rice mill building caused by earthquake	7. 50
5. Province of Cotabato—Damages to the rice mill building caused by earthquake	192. 87
6. Province of Cotabato—Damages to the rice mill machinery caused by earthquake	1, 141. 75
7. Province of Cotabato—Damages to the rice mill building caused by earthquake	639. 46
8. Province of Cotabato—Damages to the municipal building caused by earthquake	41. 74
9. Province of Cotabato—Damages to the Moro Girls' Dormitory Building caused by earthquake	6, 405. 29
10. Province of Ilocos Norte—Damages to the Market Tienda of Bacarra caused by typhoon	38. 67
11. Province of Laguna—Damages to the Dodge automobile caused by fire	88. 77
12. Province of Laguna—Damages to the provincial government building caused by typhoon	52. 10
13. Province of Laguna—Damages to the provincial high-school building caused by typhoon	39. 62
14. Province of Laguna—Damages to the provincial government building caused by typhoon	1, 442. 79
15. Province of Leyte—Damages to the provincial government building caused by typhoon	206. 47
16. Province of Leyte—Damages to the provincial girls' dormitory building caused by typhoon	469. 20
17. Province of Leyte—Damages to the provincial trade-school building caused by typhoon	501. 59
18. Province of Leyte—Damages to the provincial hospital building caused by typhoon	94. 73
19. Province of Leyte—Damages to launch <i>Engineer</i> caused by typhoon	172. 77
20. Province of Samar—Damages to the school building of the municipality of Wright caused by typhoon	292. 10
21. Bureau of Animal Industry—Replacement of properties at Dagupan, Pangasinan, damages caused by fire	5, 632. 25
22. Bureau of Education—Damages to the Philippine Normal Training School Building caused by fire	110. 00
23. Bureau of Posts—Replacement of the properties (equipments) at Wright, Samar, lost through storm	165. 05
Total	20, 337. 04

The ratio of losses paid to premium received during the year 1930 is 16 per cent, as compared with 49 per cent in 1929.

Fidelity bond premium fund, Act No. 2711 (secs. 313 to 335).—This fund was established for the purpose of insuring the fidelity of officers and employees of the government and of officers, agents, or employees of companies or corporations the majority of the stock of which is held by the insular government and is available not only for replacing defalcations, shortages, and unrecovered losses but also for paying the fees and costs incident to civil proceedings brought against defaulters and the expenses of administration and operation of the fund.

The receipts of the fund consist of premiums, profits on investments, and sums recovered from defaulters.

Section 325 of Act No. 2711 provides that this fund shall be constituted and maintained as a permanent reimbursible fund, at an amount not to exceed ₱100,000, and that any excess over such limit shall revert to the general fund.

Act No. 3373, amending section 322 of Act No. 2711, provides that the bureau, office, Province, municipality, or other branch of the government to which the officers and employees insured pertain shall pay the whole premium on the bonds of said officers and employees.

DEPOSITORY FUNDS

Among the various accounts grouped under depository funds, the following are the most important:

Treasurer of the United States account.—This account represents funds deposited by the Treasurer of the United States with the Chase National Bank, New York City, to the credit of the treasurer of the Philippine Islands to meet the expenses of the United States Government in the Philippine Islands.

A comparative statement of the deposits and withdrawals made in the said account during the years 1930 and 1929 is as follows:

	1930	1929
Balance Jan. 1.....	₱994, 078. 08	₱1, 216, 002. 20
Deposits.....	31, 000, 000. 00	31, 000, 000. 00
Withdrawals.....	31, 994, 078. 08	32, 216, 002. 20
	30, 160, 604. 74	31, 221, 924. 12
Balance Dec. 31.....	1, 833, 473. 34	994, 078. 08

Manila Railroad Co. southern lines bonds sinking fund account, Act No. 2574.—This sinking fund was established by the Manila Railroad Co. and is deposited part with the Philippine National Bank and part with the Bank of the Philippine Islands to the credit of the insular treasurer as an investment. It is for the redemption of these Manila Railroad Co. southern lines bonds, whose maturity has been extended to the year 1959 under the provisions of Act No. 2574.

The balance of the fund on December 31, 1930, amounted to ₱74,377.63.

FIDUCIARY FUNDS

Among the various accounts grouped under fiduciary fund, the following is the most important:

Earthquake fund of 1863 account.—This account represents funds recovered from the Monte de Piedad of Manila through court proceedings and are now held in the treasury vaults ready for distribution among those damaged by the earthquake of June 3, 1863.

The balance of this fund, amounting to ₱25,745.92 on December 31, 1923, remained the same at the close of business on December 31, 1930.

The original amount deposited by the government in 1863 in the Monte de Piedad was Pfs. 80,000 gold, which, together with accrued interest, amounted to ₱108,939.77. The total amount distributed among the parties concerned, in compliance with the court's orders, was ₱83,193.85, as follows:

1918.....	₱659. 00	1922.....	₱23. 03
1919.....	78, 545. 28	1923.....	39. 47
1920.....	3, 887. 59		
1921.....	39. 48	Total.....	83, 193. 85

GOLD STANDARD FUND

[Act No. 3058]

The function of the gold standard fund is to maintain the parity of the Philippine silver peso with the theoretical Philippine gold peso, the latter being the unit of value in the Philippine Islands, consisting of $12\frac{5}{16}$ grains of gold $\frac{9}{16}$ fine.

The operation of the Philippine Mint during the year 1930 was undertaken by this fund.

The gold standard fund netted a gain of ₱3,965,149.47 during the year, as compared with ₱3,738,952.79 in 1929. The receipts of the gold standard fund proper amounted to ₱4,086,561.34, as against ₱3,851,060.71 in 1929. The increase was due to larger amounts of interest received on gold standard fund and treasury certificates fund deposits with banks in the United States and of premiums collected on exchange sold during the year under review. The total expenses amounted to ₱121,411.87, or ₱9,303.95 more than the total expenses in 1929. This increase was brought about chiefly by the larger amount paid for printing treasury certificates.

The receipts of the gold standard fund during the year, on account of the operation of the mint, amounted to ₱155,179.91 only, as against the expenses of ₱65,567.25, thereby showing a net gain in operation to the amount of ₱89,612.66.

CONSTITUTION OF THE GOLD-STANDARD FUND

Sections 1622 and 1624 of Act No. 2711, as amended by Act No. 3058, provide among other things that:

"Section 1622 * * * the 'gold-standard fund,' * * * shall at all times be maintained in a sum not less than fifteen per centum of the money of the Government of the Philippine Islands in circulation and available for circulation, including both coins and treasury certificates. If at any time and for any reason said fund shall fall below the minimum hereinabove fixed, the deficiency shall be made up out of any funds then in the insular treasury or thereafter paid into the treasury not specifically appropriated to meet the payment of the principal, sinking fund, or interest of the public debt, and such amount shall be considered as automatically appropriated for this purpose, and the insular treasurer is hereby authorized and directed to transfer the necessary amount to the 'gold-standard fund' to make good any such deficiency therein.

"Section 1624 * * *.

"The 'gold-standard fund' shall be increased in amount through the additions provided for in section sixteen hundred and twenty-two of this act until the amount of the said fund shall be equal to twenty-five per centum of the money of the Philippine Islands in circulation and available for circulation, including both coins and treasury certificates. Any surplus which may accumulate in the said fund in excess of the said twenty-five per centum may be transferred, in whole or in part, to the general fund of the insular treasury upon the recommendation of the secretary of finance and the approval of the Governor General: * * *."

The cash balance of the gold-standard fund amounted on December 31, 1930, to ₱34,242,210.82 which represents about 28.82 per cent of the money of the Philippine Islands in circulation and available for circulation, or about 3.82 per cent more than the required 25 per cent maximum of the fund, as follows:

Circulation:

Total coinage-----	₱40,323,694.08	
Less coins held in treasury vaults belonging to the gold-standard fund and treasury-certificates fund not considered as available for circulation under section 1625 (f) of Act No. 3058-----	19,445,142.60	₱20,878,551.48
Outstanding treasury certificates-----	97,922,396.00	
Less treasury certificates in treasury vaults belonging as to the gold-standard fund not considered as available for circulation under section 1625 (f) of Act No. 3058-----		97,922,396.00
Total government money in circulation and available therefor----	118,800,947.48	
Minimum limit: 15 per cent of the above amount-----	17,820,142.12	
Maximum limit: 25 per cent of the above amount-----	29,700,236.87	

Gold-standard fund cash surplus available:

Cash in treasury vaults—		
Philippine currency-----	P6, 437, 853. 60	
United States currency (\$2,016,162.11)-----	4, 032, 324. 22	P10, 470, 177. 82
On deposit with authorized depositaries in the United States—		
Chase National Bank, New York City (demand)-----	\$4, 228, 067. 90	
Chase National Bank, New York City (time)-----	657, 948. 60	
Baltimore Trust Co., Baltimore, Md. (time)-----	500, 000. 00	
Crocker First National Bank, San Francisco, Calif. (time)-----	1, 000, 000. 00	
Farmers Deposit National Bank, Pittsburgh, Pa. (time)-----	500, 000. 00	
Guaranty Trust Co., New York, N. Y. (time)-----	1, 000, 000. 00	
Huntington National Bank, Columbus, Ohio (time)-----	500, 000. 00	
Continental Illinois Bank & Trust Co., Chicago, Ill. (time)-----	250, 000. 00	
Mahoning National Bank, Youngstown, Ohio (time)-----	250, 000. 00	
Mercantile Commerce Bank & Trust Co., St. Louis, Mo. (time)-----	500, 000. 00	
Central Penn National Bank, Philadelphia, Pa. (time)-----	1, 000, 000. 00	
Wells Fargo Bank & Union Trust Co., San Francisco, Calif. (time)-----	1, 000, 000. 00	
Whitney National Bank, New Orleans, La. (time)-----	500, 000. 00	
	11, 886, 016. 50	23, 772, 033. 00
Total cash surplus available on Dec. 31, 1930-----		34, 242, 210. 82
Excess over legal minimum-----		16, 422, 068. 70
Minimum limit-----		17, 820, 142. 12
Total cash surplus available on Dec. 31, 1930-----		34, 242, 210. 82
Excess over the legal maximum-----		4, 541, 973. 95
Maximum limit-----		29, 700, 236. 87

TREASURY CERTIFICATE FUND

This fund takes care of the redemption at par of the treasury certificates issued. Its balance amounted to P97,922,396 on December 31, 1930. This amount represents the 100 per cent of all treasury certificates in circulation and available for circulation. It consists of silver coins to the amount of P13,007,289 and United States gold coins in the sum of P3,700,000 (\$1,850,000) and of gold deposits in member banks of the Federal reserve system in the United States to the amount of P\$1,215.107 (\$42,062,553.50).

CIRCULATION

The circulation of the islands on December 31, 1930, consisted of the following:

Treasury certificates:		
Issued-----	P97, 922, 396. 00	
Less—		
Amount held in treasury vaults pertaining to governmental funds-----	P26, 376, 830. 00	
Amount destroyed, estimated-----	350, 000. 00	26, 726, 830. 00
Net treasury certificates in circulation-----		P71, 195, 566. 00
Philippine coins:		
Issued—		
Silver pesos-----	P21, 889, 679. 00	
Half silver pesos-----	6, 272, 494. 50	
Subsidiary coins-----	9, 359, 424. 00	
Minor coins-----	2, 802, 096. 58	
		40, 323, 694. 08
Less—		
Amount held in Treasury vaults pertaining to governmental funds—		
Silver pesos-----	16, 368, 245. 00	
Half silver pesos-----	2, 678, 318. 00	
Subsidiary coins-----	701, 551. 90	
Minor coins-----	57, 099. 865	
Amount destroyed, estimated-----	100, 000. 00	
		19, 905, 214. 765
Net Philippine coins in circulation-----		20, 418, 479. 315

Bank notes:

Issued to:

Bank of the Philippine Islands----- ₱7,789,372.50

Less

Notes held
in the
bank
vaults -- 358,320.00

Amount de-
stroyed,
estimated 40,000.00 398,320.00 ₱7,391,052.50

Philippine National Bank-- 10,055,298.70

Less

Notes held
in the
bank
vaults -- 391,992.10

Amount de-
stroyed,
estimated 150,000.00 541,992.10 9,513,306.60

Total bank notes in circulation----- ₱16,904,359.10

Total circulation----- 108,518,404.415

Table showing the per capita circulation of the Philippine Islands¹

Year	Circulation	Population ²	Per capita circulation
1926-----	₱127,405,463.08	12,108,688	₱10.52
1927-----	127,903,099.66	12,350,800	10.33
1928-----	116,308,755.44	12,597,800	10.17
1929-----	126,615,726.31	12,849,700	9.85
1930-----	113,953,930.24	13,106,694	8.69

¹ The computation of per capita circulation in this report was based on the average circulation throughout the year under review.

² Population estimated only, based on the 1918 census and at a yearly increase of about 2 per cent.

PUBLIC DEBT

The public debt consists of the following:

Bonds of the insular government proper including Friar lands bonds-----	₱148,950,000
Bonds of the insular government secured by bonds of the provincial, municipal, and other government entities-----	14,217,000
Bonds of the provincial and municipal government sold to public-----	9,420,000
Bonds of the provincial, municipal, and other government entities securing insular government bonds-----	14,217,000
Total-----	186,804,000

From the above amount the sum of ₱14,217,000 worth of collateral bonds issued against provincial and municipal bonds and the accumulated sinking funds in the sum of ₱51,649,712.19 on December 31, 1930, should be deducted, leaving a net bonded indebtedness of the Philippine government (insular, provincial, municipal, and city governments) of ₱120,937,287.81 only.

From the subjoining table it will be seen that the bonded indebtedness has decreased by ₱5,050,000 as compared with ₱191,854,000 shown in the 1929 report in spite of the fact that new bonds were sold as follows: ₱1,650,000 Cebu port works and improvement bonds, Act No. 3413; ₱2,300,000 Iloilo port works and improvement bonds, Act No. 3417; and ₱3,000,000 metropolitan water district purchase bonds, Act No. 3255. The decrease is due to the redemption on September 2, 1930, of the Manila port works and improvement bonds amounting to ₱12,000,000 pursuant to Act No. 3529.

The following are the bonds cancelled under Act No. 3014:

Purely insular bonds—		
Land-purchase bonds	P946, 000	
Public-improvement bonds of 1905, 1906, and 1909	346, 000	
Manila Railroad Co. purchase bonds	804, 000	
Manila port works and improvement bonds	1, 398, 000	
Public-improvement bonds of 1921	938, 000	
Currency bonds	2, 772, 000	
Other bonds—		P7, 222, 000
Manila sewer and waterworks bonds	384, 000	
Cebu sewer and waterworks bonds	20, 000	
		404, 000
		7, 626, 000

Bonded indebtedness

Issue	Amount
Insular bonds:	
4 per cent loan of 1904 (1914-1934) land purchase bonds, Acts Nos. 1034, 1749, and 2550	P14, 000, 000
4 per cent loan of 1905 (1915-1935), first series, public improvement bonds, Acts Nos. 1301 and 1729	5, 000, 000
4 per cent loan of 1906 (1916-1936), second series, public improvement bonds, Acts Nos. 1444, 1449, and 1729	2, 000, 000
4 per cent loan of 1909 (1919-1939) third series, public improvement bonds, Act No. 1954	3, 000, 000
4 per cent loan of 1916 (1926-1946) Manila Railroad Co., purchase bonds, Acts Nos. 2615, 2624, and 2625	8, 000, 000
5½ per cent loan of 1921 (due 1941) public improvement bonds, Act No. 2940 (irrigation and public works)	20, 000, 000
5 per cent loan of 1922 (1952) financial interest protection bonds, Act No. 2999	10, 000, 000
4½ per cent loan of 1922 (due 1952) irrigation and permanent public works bonds (sundry), Act No. 3013:	
First sale	10, 000, 000
Second sale	4, 500, 000
Third sale	1, 500, 000
Fourth sale	3, 000, 000
Fifth sale	1, 500, 000
Sixth sale	2, 000, 000
Seventh sale	1, 100, 000
4½ per cent gold loan of 1922 (due 1952) currency bonds, Act No. 3058:	
First sale	20, 000, 000
Second sale	26, 000, 000
5 per cent loan of 1925 (1935-1955) metropolitan water district purchase bonds, Act No. 3204:	
First sale	2, 000, 000
Second sale	500, 000
Third sale	3, 000, 000
Fourth sale	500, 000
4½ per cent loan of 1929 (due 1959) metropolitan water district purchase bonds, Act No. 3255, first series	3, 000, 000
4½ per cent loan of 1928 (due 1958), first series, Cebu port works and improvement bonds, Act No. 3513	1, 500, 000
4½ per cent loan of 1929 (due 1959), second series, Cebu port works and improvement bonds, Act No. 3413	1, 500, 000
4½ per cent loan of 1930 (due 1960), third series, Cebu port works and improvement bonds, Act No. 3413	1, 000, 000
4½ per cent loan of 1928 (due 1958), first series, Iloilo port works and improvement bonds, Act No. 3417	1, 500, 000
4½ per cent loan of 1929 (due 1959), second series, Iloilo port works and improvement bonds, Act No. 3417	1, 000, 000
4½ per cent loan of 1930 (due 1960), third series, Iloilo port works and improvement bonds, Act No. 3417	1, 850, 000
Total insular bonds	148, 950, 000
Insular bonds secured by provincial and municipal bonds:	
4½ per cent loan of 1922 (due 1950) city of Manila public improvement collateral bonds, Act No. 3051	5, 500, 000
4½ per cent loan of 1926 (1936-1956) Province of Iloilo and 9 municipalities permanent public improvement collateral bonds, Act No. 3222	1, 953, 000
4½ per cent loan of 1926 (due 1956) Province of Pangasinan permanent public improvement collateral bonds, Act No. 3228	857, 000
4½ per cent loan of 1926 (due 1956) Province of Occidental Negros permanent public improvement collateral bonds, Act No. 3229	800, 000
4½ per cent loan of 1926 (due 1956) Province of Ilocos Norte and 3 municipalities permanent public improvement collateral bonds, Act No. 3266	548, 000
4½ per cent loan of 1926 (due 1956) Province of Marinduque permanent public improvement collateral bonds, Act No. 3268	111, 000
4½ per cent loan of 1927 (due 1957) Province of Laguna permanent public improvement collateral bonds, Act No. 3265	196, 000
4½ per cent loan of 1927 (due 1957) Province of Ilocos Sur and municipality of Vigan permanent improvement collateral bonds, Act No. 3278	350, 000
4½ per cent loan of 1927 (due 1957) Province of Tarlac permanent improvement collateral bonds, Act No. 3279	342, 000
4½ per cent loan of 1927 (due 1957) Province and 4 municipalities of Camarines Sur Permanent improvement collateral bonds, Act No. 3280	222, 000
4½ per cent loan of 1927 (due 1957) Province of Pampanga permanent improvement collateral bonds, Act No. 3282	954, 000

Bonded indebtedness—Continued

Issue	Amount
Insular bonds secured by provincial and municipal bonds—Continued.	
4½ per cent loan of 1927 (due 1957) Province of Nueva Ecija permanent improvement collateral bonds, Act No. 3329.....	P690,000
4½ per cent loan of 1927 (due 1957) Province of Bulacan permanent improvement collateral bonds, Act No. 3331.....	474,000
4½ per cent loan of 1928 (due 1958) Province of La Union permanent improvement collateral bonds, Act No. 3281.....	220,000
4½ per cent loan of 1928 (due 1958) city of Manila lowland improvement collateral bonds, Act No. 3352.....	1,000,000
Total insular bonds secured by provincial and municipal bonds.....	14,217,000
Provincial and municipal government bonds sold to public:	
4 per cent loan of 1905 (1915-1935) first series, Manila sewer and waterworks bonds, Act Nos. 1323 and 2832.....	2,000,000
4 per cent loan of 1907 (1917-1937) second series, Manila sewer and waterworks bonds, Acts Nos. 1323 and 2832.....	4,000,000
4 per cent loan 1908 (1916-1938) third series, Manila sewer and waterworks bonds, Acts Nos. 1323 and 2832.....	2,000,000
4 per cent loan of 1911 (1921-41) city of Cebu sewer and waterworks bonds, Act No. 2009.....	250,000
5 per cent loan of 1919 (1929-49) Santa Cruz, Laguna, sewer and waterworks bonds, Act No. 2773.....	90,000
5 per cent loan of 1919 (1929-49) Majayjay, Laguna, sewer and waterworks bonds, Act No. 2773.....	40,000
5 per cent loan of 1919 (1929-49) Bangued, Abra, sewer and waterworks bonds, Act No. 2838.....	40,000
4½ per cent loan of 1929 (due 1959), first series, city of Manila public improvement bonds, Act No. 3456.....	1,000,000
Total of provincial and municipal governments bonds sold to public.....	9,420,000
Provincial and municipal bonds securing insular bonds:	
5½ per cent loan of 1929 (1930-50) city of Manila permanent improvement bonds, Act No. 2894.....	5,500,000
4½ per cent loan of 1926 (1936-1956) Province of Iloilo and 9 municipalities permanent public improvement bonds, Act No. 3222:	
Province of Iloilo.....	1,121,000
Municipality of Iloilo.....	338,000
Municipality of Cabatuan.....	8,000
Municipality of Jaro.....	94,000
Municipality of La Paz.....	80,000
Municipality of Maasin.....	3,000
Municipality of Pavia.....	25,000
Municipality of Santa Barbara.....	104,800
Municipality of Dingle.....	20,000
Municipality of Pototan.....	159,200
4½ per cent loan of 1926 (due 1956) Province of Pangasinan permanent public improvement bonds, Act No. 3228.....	857,000
4½ per cent loan of 1926 (due 1956) Province of Occidental Negros permanent public improvement bonds, Act No. 3228.....	800,000
4½ per cent loan of 1926 (due 1956) Province of Ilocos Norte and 3 municipalities permanent public improvement bonds, Act No. 3266:	
Province of Ilocos Norte.....	442,000
Municipality of Bacarra.....	7,000
Municipality of Laoag.....	89,000
Municipality of Pasquin.....	10,000
4½ per cent loan of 1926 (due 1956) Province of Marinduque permanent public improvement bonds, Act No. 3268.....	111,000
4½ per cent loan of 1927 (due 1957) Province of Laguna permanent public improvement bonds, Act No. 3265.....	196,000
4½ per cent loan of 1927 (due 1957) Province of Ilocos Sur and municipality of Vigan permanent improvement bonds, Act No. 3278:	
Province of Ilocos Sur.....	260,000
Municipality of Vigan.....	90,000
4½ per cent loan of 1927 (due 1957) Province of Tarlac permanent improvement bonds, Act No. 3279.....	342,000
4½ per cent loan of 1927 (due 1957) Province and 4 municipalities of Camarines Sur permanent improvement bonds, Act No. 3280:	
Province of Camarines Sur.....	160,000
Municipality of Naga.....	37,000
Municipality of Magarao.....	15,000
Municipality of Canaman.....	5,000
Municipality of Camaligan.....	5,000
4½ per cent loan of 1927 (due 1957) Province of Pampanga permanent improvement bonds, Act No. 3282.....	954,000
4½ per cent loan of 1927 (due 1957) Province of Nueva Ecija permanent improvement bonds, Act No. 3329.....	690,000
4½ per cent loan of 1927 (due 1957) Province of Bulacan permanent improvement bonds, Act No. 3331.....	474,000
4½ per cent loan of 1928 (due 1958) Province of La Union permanent improvement bonds, Act No. 3281.....	220,000
4½ per cent loan of 1928 (due 1958) city of Manila lowland improvement bonds, Act No. 3352.....	1,000,000
Total of provincial and municipal bonds securing insular bonds.....	14,217,000
Total of all bonded indebtedness.....	186,804,000

Adequate legislation provides for sinking funds to redeem the bonds at maturity. The accretions of the sinking funds consist of the interest derived from investments and of the annual allotments from the insular government, cities and municipalities concerned, and from the metropolitan water district.

The sinking funds at the close of the year were as follows:

Insular bonds:

Land-purchase bonds sinking fund, Acts Nos. 2550 and 2592-----	P11,563,519.65
Public-improvement bonds sinking fund, Act No. 2425-----	7,133,453.50
Manila Railroad Co. purchase bonds sinking fund, Act No. 2625----	2,747,403.85
Public-improvement bonds of 1921 sinking fund, Act No. 2940-----	7,439,765.42
Irrigation and permanent public works bonds sinking fund, Act No. 3013-----	4,210,516.51
Financial interest protection bonds sinking fund, Act No. 2999----	1,809,658.07
Currency bonds sinking fund, Act 3058-----	8,195,176.41
Metropolitan water district purchase bonds sinking fund, Act No. 3204-----	592,850.89
Metropolitan water district purchase bonds sinking fund, Act No. 3255-----	58,114.00
Iloilo port works and improvement bonds sinking fund, Act No. 3417-----	80,195.75
Cebu port works and improvement bonds sinking fund, Act No. 3418-----	90,209.24
Total reserve for insular bonds-----	43,920,863.29

Provincial and municipal bonds:

Manila sewer and waterworks bonds sinking fund, Act No. 1323--	5,709,696.61
City of Manila public-improvement bonds sinking fund, Act No. 2894--	1,253,535.35
City of Manila public-improvement bonds sinking fund, Act No. 3456--	19,371.30
City of Manila lowland-improvement bonds sinking fund, Act No. 3352-----	39,886.54
Cebu sewer and waterworks bonds sinking fund, Act No. 2009-----	122,385.12
Santa Cruz, Laguna, sewer and waterworks bonds sinking fund, Act No. 2773-----	21,895.14
Majayjay, Laguna, sewer and waterworks bonds sinking fund, Act No. 2773-----	9,646.23
Rangued, Abra, waterworks bonds sinking fund, Act No. 2838-----	9,608.04
Province and 9 municipalities of Iloilo public improvement bonds sinking fund, Act No. 3222-----	155,615.44
Province of Pangasinan public improvement bonds sinking fund, Act No. 3228-----	68,107.64
Province of Occidental Negros public improvement bonds sinking fund, Act No. 3229-----	64,396.36
Province and three municipalities of Ilocos Norte public improvement bonds sinking fund, Act No. 3266-----	43,008.04
Province of Marinduque public improvement bonds sinking fund, Act No. 3268-----	9,013.08
Province of Laguna public improvement bonds sinking fund, Act No. 3265-----	12,035.15
Province of Ilocos Sur and municipality of Vigan public improvement bonds sinking fund, Act No. 3278-----	20,639.53
Province of Tarlac public improvement bonds sinking fund, Act No. 3279-----	20,308.28
Province and 4 municipalities of Camarines Sur public improvement bonds sinking fund, Act No. 3280-----	13,205.88
Province of Pampanga public improvement bonds sinking fund, Act No. 3262-----	58,418.23
Province of Nueva Ecija public improvement bonds sinking fund, Act No. 3329-----	40,993.20
Province of Bulacan public improvement bonds sinking fund, Act No. 3331-----	28,199.60
Province of La Union public improvement bonds sinking fund, Act No. 3281-----	8,884.65
Total reserve for provincial and municipal bonds-----	7,728,848.90
Grand total-----	51,649,712.19

The following statement shows the per capita indebtedness of the Philippine Islands from 1926 to 1930 on account of purely insular bonds:

Year	Amount of indebtedness of the insular government	Population ¹	Per capita indebtedness
1926-----	146,100,000	12,108,688	P12.06
1927-----	149,600,000	12,350,800	12.11
1928-----	152,600,000	12,597,800	12.11
1929-----	154,000,000	12,849,700	11.98
1930-----	148,950,000	13,106,694	11.36

¹ Population estimated only, based on the 1918 census at a yearly increase of about 2 per cent.

INVESTMENTS

The following statement shows the status of the investments on December 31, 1929 and 1930, made from different funds under the control and custody of the insular treasurer:

Title of accounts and funds	Amount invested on	
	Dec. 31, 1929	Dec. 31, 1930
General fund.....	P72, 146, 217. 03	P76, 036, 302. 90
Sinking funds:		
Land purchase bonds, act No. 1749.....	10, 679, 000. 00	10, 867, 000. 00
Public improvement bonds of 1905, 1906, and 1909, act No. 2425.....	6, 227, 000. 00	6, 561, 000. 00
Manila Railroad purchase bonds, act No. 2625.....	2, 414, 000. 00	2, 510, 000. 00
Manila port works and improvement bonds, act No. 2908.....	2, 132, 500. 00	-----
Public improvement bonds of 1921, act No. 2940.....	5, 277, 000. 00	6, 591, 000. 00
Financial interest protection bonds, act No. 2999.....	1, 490, 000. 00	1, 734, 000. 00
Currency bonds, act No. 3058.....	6, 936, 000. 00	7, 677, 000. 00
Irrigation and permanent public works bonds, act No. 3013.....	3, 553, 000. 00	4, 075, 000. 00
Metropolitan water district purchase bonds, act No. 3204.....	444, 000. 00	458, 000. 00
Cebu port works and improvement bonds, act No. 3413.....	28, 000. 00	23, 000. 00
Iloilo port works and improvement bonds, act No. 3417.....	28, 000. 00	28, 000. 00
City of Manila improvement bonds, act No. 2894.....	966, 500. 00	985, 500. 00
Cebu waterworks bonds, act No. 2009.....	108, 000. 00	115, 000. 00
Santa Cruz, Laguna, waterworks bonds, act No. 2773.....	18, 000. 00	20, 000. 00
Majayjay, Laguna, waterworks bonds, act No. 2773.....	7, 000. 00	9, 000. 00
Bangued, Abra, waterworks bonds, act No. 2838.....	7, 000. 00	7, 000. 00
Province and 4 municipalities of Ilocos Norte improvement bonds, act No. 3266.....	24, 000. 00	26, 000. 00
Province and 9 municipalities of Iloilo improvement bonds, act No. 3222.....	102, 500. 00	134, 500. 00
Province of Marinduque improvement bonds, act No. 3268.....	4, 000. 00	6, 000. 00
Province of Occidental Negros improvement bonds, act No. 3229.....	45, 000. 00	45, 000. 00
Province of Pangasinan improvement bonds, act No. 3228.....	46, 000. 00	64, 000. 00
Province of Laguna improvement bonds, act No. 3265.....	7, 000. 00	7, 000. 00
Province of Bulacan improvement bonds, act No. 3331.....	8, 000. 00	18, 000. 00
Province of La Union public improvement bonds, act No. 3281.....	3, 500. 00	7, 500. 00
Manila sewer and waterworks bonds, act No. 1323.....	5, 256, 712. 50	5, 324, 312. 00
City of Manila lowland improvement bonds, act No. 3352.....	18, 000. 00	12, 000. 00
Province and 4 municipalities of Camarines Sur improvement bonds, act No. 3280.....	2, 500. 00	4, 500. 00
Province of Ilocos Sur and municipality of Vigan improvement bonds, act No. 3278.....	4, 500. 00	10, 500. 00
Province of Nueva Ecija improvement bonds, act No. 3329.....	26, 000. 00	36, 000. 00
Province of Pampanga improvement bonds, act No. 3282.....	35, 000. 00	35, 000. 00
Province of Tarlac improvement bonds, act No. 3279.....	11, 000. 00	13, 000. 00
Manila Railroad Co. southern line bonds, act No. 2574.....	67, 193. 24	74, 377. 63
Special funds:		
Land title assurance fund, act No. 496.....	287, 297. 60	297, 968. 21
Fidelity bond premium fund, secs. 313-355, act No. 2711.....	45, 000. 00	45, 000. 00
Loan fund account, acts Nos. 3335, 3420, and 3532.....	3, 306, 583. 18	3, 303, 583. 13
Property insurance fund, secs. 336-341, act No. 2711.....	-----	419, 401. 10
Total.....	122, 161, 003. 60	128, 026, 539. 91

The increase of P5,865,536.31 is due mainly to the acquisition of Philippine Government bonds as investment of various sinking funds in accordance with the provisions of Act No. 3014, to additional subscription to the stocks of the Manila Railroad Co. under Act No. 3484; to additional advances to the Philippine Railway Co.; and to the deposit with the Philippine National Bank of funds pertaining to the land title assurance fund and the property-insurance fund.

Bonds in the total amount of P27,990,000 canceled under the provisions of Act No. 3014 are still carried as investments of the sinking funds concerned pursuant to section 2 of said act.

GUARANTY OF INTEREST ON BOND ISSUES OF RAILWAY CORPORATIONS

Under authority of an act of Congress, approved February 6, 1905, the insular government guarantees 4 per cent interest, for a period not to exceed 30 years, on the first-lien bonds issued by the Philippine Railway Co. for the construction of certain lines in the islands of Panay and Cebu, and on the 4 per cent first-lien bonds of what are known as the southern lines of the Manila Railway Co.

On February 16, 1922, the Manila Railroad Co. again voted to issue 7 per cent sinking fund bonds in the sum of \$1,500,000, to mature on May 1, 1937, for the purpose of paying certain indebtedness, for the construction of certain lines; and to provide for a sinking fund to pay such bonds and interest thereon. To guarantee both the principal and interest of the issue, the Philippine Legislature passed Act No. 3008, on February 28, of the same year.

The total of the combined issues of said companies on December 31, 1929, amounted to \$22,284,000 United States currency.

REJECTED AGRICULTURAL BANK LOANS

The outstanding loans on December 31, 1930, aggregated ₱35,919.25 as compared with ₱53,902.89 at the end of the year 1929 and represent loans rejected by the Philippine National Bank at the time said bank took over the assets and liabilities of the late agricultural bank in accordance with the provisions of section 6 of Act No. 2747, as amended by Act No. 2938, and those that have been subsequently returned by the Philippine National Bank as uncollectible, pursuant to section 7 of the above-mentioned act, as amended. No loan was returned by the Philippine National Bank during the year.

The following is a complete list of the outstanding loans at the close of business on December 31, 1930.

Loan No.	Principal	Interest	Total
275.....	₱6,000.00	₱428.37	₱6,428.37
417.....	7,500.00	386.62	7,886.62
424.....	1,500.00	-----	1,500.00
673.....	11,000.00	4,624.86	15,624.86
983.....	4,479.40	-----	4,479.40
Total.....	30,479.40	5,439.85	35,919.25

MINT OF THE PHILIPPINE ISLANDS

The mint was operated during the whole year of 1930 for the manufacture of 1-centavo and 5-centavo coins and incidentally for the manufacture of 25,000 pieces of 1-centavo leper coins for the Philippine Health Service. Its output during the year amounting to ₱201,029.10 consisted of ₱55,770 1-centavo and ₱145,259.10 5-centavo pieces, with a total cost of production of ₱81,282.93. Of the total output of ₱145,259.10, ₱67,664.60 represents the value of coins turned over to the mint for recoinage. The ratio of expense to income is approximately 54.86 per cent as against 86.5 per cent during 1929.

REGISTRATION AND EXAMINATION OF SPECULATIVE CORPORATIONS

By virtue of Act No. 2581, as amended by Act No. 2817, the insular treasurer exercises supervision over corporations, persons, partnerships, and associations selling or proposing to sell speculative securities.

Pursuant to the provisions of the aforementioned law, 20 corporations were granted permits during the year 1930 to sell securities as against 7 which were granted permits during the previous year. The names of said corporations and their places of business are given hereunder:

The Philippine Corporation, Manila; Philippine Construction, Manila; Philippine Improvement & Development Corporation, Manila; Malig Plantation (Inc.), Manila; Modern Pharmacal Products Co., Manila; Central Luzon Milling Co. (Inc.), Manila; Nava Motor Co. (Inc.), Dagupan, Pangasinan; Editorial Mercantil (Inc.), Manila; Maaoy Employees Cooperative Store (Inc.), Maaoy, Occidental Negros; Cavite Sugar Co., Manila; Muller-Selg (Inc.), Davao, Davao; Baguio Gold Mining Co., Manila; San Juan Livestock Co., Lavezares, Samar; Sing, Yee & Cuan (Inc.), Manila; Port Lamson Lumber Co., Manila; Cooperative System Sales Co., Manila; La Extremeña, Manila; Philippine Fish Co., Manila; La Estrella del Oriente, Manila; Bacong Commercial Co. (Inc.), Bacong, Oriental Negros.

MUTUAL BENEFIT, RELIEF, AND BENEVOLENT SOCIETIES

The combined resources and liabilities, as of December 31, 1929, and receipts and disbursements during 1929, of the 241 societies which transacted business during that year and filed financial reports in the year 1930, are as follows:

Assets	P684,305.13
Liabilities	39,802.17
Net worth	644,502.96
Receipts	550,527.47
Disbursements	509,423.61

The combined resources and liabilities as of the dates of examination of 16 societies and 12 duly organized branches are as follows:

Assets	P144,021.29
Liabilities:	
Accounts payable	P6,825.19
Benefit claims pending settlement	3,316.37
	10,141.56
Net worth	133,879.73

INSURANCE

On December 31, 1930, there were 78 companies authorized to engage in fire-insurance business, 64 in marine, 8 in life, and 48 in miscellaneous insurance. The business done by said companies in the Philippine Islands as per statements filed with this office is as follows:

FIRE INSURANCE

	1929	1930
Companies which actually transacted business:		
Domestic	4	4
Foreign (American)	20	23
Foreign (others)	42	45
Total	66	77
Net risks written:		
Domestic	P57,335,232.20	P56,756,731.80
Foreign (American)	74,107,269.40	100,521,225.32
Foreign (others)	267,979,713.29	312,701,862.68
Total	399,422,214.89	469,979,819.80
Net premiums received:		
Domestic	537,275.52	522,953.06
Foreign (American)	779,062.82	862,161.15
Foreign (others)	3,020,480.88	2,732,846.85
Total	4,336,819.22	4,117,961.06
Net losses incurred:		
Domestic	146,889.74	115,105.63
Foreign (American)	676,323.06	491,555.13
Foreign (others)	1,931,867.39	1,255,241.25
Total	2,755,080.19	1,861,902.01
Net losses paid:		
Domestic	134,510.41	114,740.37
Foreign (American)	494,520.27	476,982.57
Foreign (others)	1,236,612.55	1,415,129.18
Total	1,865,643.23	2,006,852.12
Ratio of losses incurred to premiums received:		
Domestic	per cent. 27.3	22.0
Foreign (American)	do. 86.8	57.0
Foreign (others)	do. 64.0	45.9

MARINE INSURANCE

	1929	1930
Companies which actually transacted business:		
Domestic.....	3	3
Foreign (American).....	9	9
Foreign (others).....	30	30
Total.....	42	42
Net risks written:		
Domestic.....	P17,452,576.68	P12,380,642.16
Foreign (American).....	106,018,836.02	94,977,114.67
Foreign (others).....	293,953,522.17	228,057,895.79
Total.....	417,424,934.87	335,415,652.62
Net premiums received:		
Domestic.....	122,240.38	54,169.01
Foreign (American).....	427,556.97	383,608.02
Foreign (others).....	1,160,950.07	928,848.43
Total.....	1,710,747.42	1,366,625.46
Net losses incurred:		
Domestic.....	79,064.66	53,790.94
Foreign (American).....	150,000.00	10,393.47
Foreign (others).....	363,320.03	170,226.44
Total.....	592,384.69	234,410.85
Net losses paid:		
Domestic.....	78,902.09	52,875.58
Foreign (American).....	222,703.39	161,361.97
Foreign (others).....	253,317.97	186,767.28
Total.....	554,923.45	401,004.83
Ratio of losses incurred to premiums received:		
Domestic.....per cent..	64.7	99.3
Foreign (American).....do..	35.1	2.7
Foreign (others).....do..	31.3	18.3

LIFE INSURANCE²

	1928	1929
Companies which actually transacted business:		
Domestic.....	2	2
Foreign (American).....	2	2
Foreign (others).....	3	3
Total.....	7	7
Insurance in force, Jan. 1:		
Domestic.....	P25,024,573	P27,011,108
Foreign (American).....	25,922,926	31,200,740
Foreign (others).....	31,534,687	37,344,517
Total.....	82,482,186	95,556,365
Insurance issued, revived and increased during the year:		
Number—		
Domestic.....	3,617	5,260
Foreign (American).....	2,915	4,759
Foreign (others).....	1,643	1,828
Total.....	8,175	11,847
Amount:		
Domestic.....	P8,808,780	P12,298,384
Foreign (American).....	10,500,468	14,660,756
Foreign (others).....	9,630,496	10,601,794
Total.....	28,939,744	37,560,934

¹ Excluding losses not yet ascertained.² The data for 1930 are not available at the writing of this report.

Life insurance—Continued

LIFE INSURANCE	1928	1929
Insurance terminated:		
Domestic.....	P6,822,245	P6,993,136
Foreign (American).....	5,222,654	6,619,740
Foreign (others).....	3,820,666	4,282,695
Total.....	15,865,565	17,895,571
Policies in force, December 31:		
Number—		
Domestic.....	10,799	12,928
Foreign (American).....	9,256	11,718
Foreign (others).....	7,910	8,556
Total.....	27,965	33,202
Amount—		
Domestic.....	P27,011,108	P32,316,356
Foreign (American).....	31,200,740	39,089,756
Foreign (others).....	37,344,517	43,663,615
Total.....	95,556,365	115,069,727
Losses and claims paid:		
Domestic.....	353,105	281,363
Foreign (American).....	359,794	289,194
Foreign (others).....	1,144,526	1,516,274
Total.....	1,857,425	2,086,831
Losses and claims unpaid, December 31:		
Domestic.....	22,488	32,723
Foreign (American).....	54,694	89,993
Foreign (others).....	244,323	361,729
Total.....	321,505	484,445

MISCELLANEOUS INSURANCE

	Motor vehicle, motor car, and automobile	Health, acci- dent, and casualty	Typhoon, flood earthquake, and lightning	Plate glass	Fidelity and surety	Workmen's compensation and employers' liability	Other
1929							
Number of companies which actually transacted business:							
Domestic.....	1	0	1	0	6	0	1
Foreign (American).....	2	0	2	0	0	0	0
Foreign (others).....	12	3	10	3	1	14	9
Total.....	15	3	13	3	7	15	10
Net risks written:							
Domestic.....	P631,250.00		P25,000.00		P18,769,156.83	P73,283.00	P539,000.00
Foreign (American).....	674,360.00		7,549,980.00			3,284,719.37	13,905,980.00
Foreign (others).....	4,126,414.25	P512,500.00	22,947,846.00	P1,000.00	33,000.00		
Total.....	5,432,024.25	512,500.00	30,522,826.00	1,000.00	18,802,156.83	3,328,002.37	14,444,980.00
Not premiums received:							
Domestic.....	15,853.13		62.97		484,564.70	282.13	539.00
Foreign (American).....	2,334.31		23,019.10			137,192.76	72,952.77
Foreign (others).....	177,057.95	3,624.18	57,448.22	3,277.17	660.00		
Total.....	195,245.39	3,624.18	80,530.29	3,277.17	485,224.70	137,424.89	73,491.77
Net losses incurred:							
Domestic.....	10,968.82				22,703.71		
Foreign (American).....	3,612.84					156,050.60	110,105.00
Foreign (others).....	89,155.96	10,230.34		145.00			
Total.....	103,737.62	10,230.34		145.00	22,703.71	56,050.60	10,105.00
Net losses paid:							
Domestic.....	10,968.82				22,153.71		
Foreign (American).....	3,455.07					40,035.36	10,105.00
Foreign (others).....	82,649.32	230.34	2 (71.50)	145.00			
Total.....	97,073.21	230.34	(71.50)	145.00	22,153.71	40,035.36	10,105.90
Ratio of losses incurred to premiums received:							
Domestic.....	69.2		0		4.7	0	0
Foreign (American).....	154.8		0			0	
Foreign (others).....	50.4	282.3	0	4.4	0	40.9	13.9

1930									
Number of companies which actually transacted business:									
Domestic.....	1	1	0	6	0	0	0	0	0
Foreign (American).....	2	2	0	0	0	0	1	0	0
Foreign (others).....	14	5	3	1	15	10	15	10	10
Total.....	17	6	3	7	16	10			
Net risks written:									
Domestic.....	P\$4,100.00	P\$4,452,000.00	P\$25,000.00	P\$29,206,670.49	P\$98,202.02	P\$15,387,005.00			
Foreign (American).....	265,800.95	6,483,500.00	6,483,500.00		2,726,731.80				
Foreign (others).....	4,350,619.24	480,000.00	18,164,800.00		23,000.00				
Total.....	5,200,619.19	4,932,000.00	24,673,300.00		29,319,670.49				
Net premiums received:									
Domestic.....	15,210.79	4,452.00	62.50	609,648.09					
Foreign (American).....	4,868.04		18,236.89						
Foreign (others).....	195,814.59	4,587.42	49,492.98	P\$3,041.90	152,745.29	82,120.69			
Total.....	215,902.42	9,039.42	67,792.37	3,041.90	153,293.61	82,120.69			
Net losses incurred:									
Domestic.....	9,987.21	55.00		99,951.14					
Foreign (American).....	607.00								
Foreign (others).....	91,278.82	60.00		90.00	17,421.86	177.23			
Total.....	101,873.03	115.00		90.00	17,421.86	177.23			
Net losses paid:									
Domestic.....	9,987.21	55.00		97,838.27					
Foreign (American).....	150.10								
Foreign (others).....	93,107.27	22,062.30		198.00	38,386.21	527.23			
Total.....	103,244.58	22,117.30		198.00	38,386.21	527.23			
Ratio of losses incurred to premiums received:									
Domestic.....	65.6	1.2	0	16.4	0	0.2			
Foreign (American).....	12.5		0		0				
Foreign (others).....	46.6	1.3	0	3.0	11.4				

¹ Excluding losses not yet ascertained.

² Excess of salvage received over losses paid.

EXAMINATION OF DOMESTIC COMPANIES

The combined resources and liabilities, as of the dates of examination, of the seven domestic insurance companies examined by the insurance commissioner during the year, pursuant to the provisions of section 174 of the insurance act, are as follows:

Gross assets.....	P19,463,601.88
Admitted assets.....	19,136,638.24
Liabilities excluding capital and surplus.....	10,462,567.53
Capital.....	4,227,600.00
Surplus.....	4,446,470.71

BUSINESS OF UNAUTHORIZED COMPANIES

Under the provisions of section 192 of the insurance act, five duly authorized insurance agents procured, during 1930, for companies not authorized to transact business in this country, insurance to the total sum of P29,693,401.46 on risks located here and collected for the companies premiums amounting to P90,121.14 as compared with P12,560,587.73, and P54,947.52, respectively, the corresponding figures for the preceding year.

DEPOSITS REQUIRED BY LAW

The securities deposited by foreign insurance companies doing business in the Philippine Islands in compliance with section 176 of the insurance act consisted, on December 31, 1930, of the following:

Certificates of deposit issued by local banks.....	P1,934,200.00
Bonds, in gold dollars.....	\$1,409,000.00
Bonds, in Philippine pesos.....	P310,000.00
Bonds, in Hong Kong dollars.....	H\$80,000.00
Bonds, in pounds sterling.....	£64,670/0/0
Bonds, in yens.....	¥95,000.00
Bonds, in Indian rupees.....	Rs.75,000
Other securities, in Philippine pesos.....	P220,670.44

BUREAU OF BANKING

BANKS AND BANKING

The following banks and trust companies were engaged in business during the year:

DOMESTIC

1. Philippine National Bank, Manila, with branches at Bacolod, Occidental Negros; Iloilo, Iloilo; Cabanatuan, Nueva Ecija; Lucena, Tayabas; Legaspi, Albay; Cebu, Cebu; Davao, Davao; Dagupan, Pangasinan; and an agency in New York City.
2. Bank of the Philippine Islands, Manila, with branches at Iloilo, Iloilo; Cebu, Cebu; and Zamboanga, Zamboanga.
3. China Banking Corporation, Manila, with branches at Amoy, China, and Shanghai, China.
4. Monte de Piedad and Savings Bank, Manila.
5. Philippine Trust Co., Manila.
6. Mercantile Bank of China, Manila.
7. Peoples Bank & Trust Co., Manila, with branches at San Pablo, Laguna; Baguio, Mountain Province; Tarlac, Tarlac; and San Fernando, Pampanga.

The San Fernando and Tarlac branches of the Peoples Bank & Trust Co. began operation on May 20, 1930, and July 1, 1930, respectively.

FOREIGN

1. Hongkong and Shanghai Banking Corporation, branch at Manila, with a subagency at Iloilo, Iloilo.
2. National City Bank of New York, branch at Manila, with a subagency at Cebu, Cebu.
3. Chartered Bank of India, Australia, and China, branch at Manila, with subagencies at Cebu, Cebu; Iloilo, Iloilo; and Zamboanga, Zamboanga.
4. The Yokohama Specie Bank (Ltd.), branch at Manila.

COMPARATIVE STATEMENT OF CONDITION

The following is a consolidated statement of resources and liabilities of all banks and trust companies in the Philippines as of December 31 for the past five years:

	1926	1927	1928	1929	1930
RESOURCES					
Loans and discounts.....	P93,426,124	P92,004,907	P109,308,937	P80,391,413	P76,848,062
Overdrafts.....	46,619,112	47,513,714	60,200,523	65,912,938	67,915,296
Stocks, securities, etc.....	11,344,184	13,877,994	12,247,640	11,524,594	22,913,308
Banking house, furniture and fixtures.....	2,402,199	2,488,723	2,387,478	2,352,453	2,423,011
Other real estate and chattels owned.....	843,516	3,447,221	3,054,534	3,629,034	3,639,670
Due from head office, branches, agents, and correspondents.....	29,420,532	35,911,017	34,536,818	47,146,267	38,478,877
Due from other banks.....	7,956,392	7,942,850	8,198,375	5,398,558	3,059,635
Bills of exchange.....	10,759,325	17,391,503	18,347,694	26,219,055	20,883,441
Cash on hand.....	22,602,662	27,998,536	15,224,113	18,972,575	17,487,351
Checks and other cash items.....	1,156,919	1,370,189	1,413,382	1,665,435	877,146
Profit and loss account.....	164,961	20,241	1,003,316	1,978,537	34,162
Other resources.....	12,886,274	6,425,817	6,469,278	7,447,418	7,660,654
Total.....	245,582,200	256,392,742	272,392,088	272,638,277	262,220,613
LIABILITIES					
Capital.....	25,293,350	25,799,900	25,478,150	25,484,550	26,484,550
Surplus.....					7,811,899
Reserves.....	8,601,763	18,414,578	6,142,132	7,575,189	6,237,145
Undivided profits.....	3,990,001	1,193,671	8,672,485	9,866,983	1,580,332
Bank notes in circulation.....	33,201,683	30,867,699	24,017,003	18,989,754	17,049,453
Due to head office, branches, agents, and correspondents.....	22,277,538	21,476,036	27,386,495	49,945,794	41,619,314
Due to other banks.....	1,886,142	4,451,104	5,417,919	3,921,986	3,847,798
Dividends unpaid.....	1,589	272,037	357,744	338,343	
Demand deposits.....	76,872,945	66,772,496	69,078,633	60,492,789	60,868,276
Time deposits.....	18,995,646	26,548,317	33,035,045	30,723,692	35,815,001
Savings deposits.....	39,726,961	53,655,874	62,554,310	54,986,822	47,874,363
Bills payable:					
Domestic.....	50,916	42,982	7,008	20,341	28,358
Foreign.....	476,379	465,218	392,994	459,941	606,298
Cashier's checks.....	715,538	832,503	119,893	638,491	613,357
Certified checks.....	287,825	399,388	572,233	616,673	376,231
Suspense account.....	1,838,646	1,158,675	1,119,236	77,682	694,415
Other liabilities.....	8,365,278	4,042,264	8,060,808	8,499,247	10,713,823
Total.....	245,582,200	256,392,742	272,392,088	272,638,277	262,220,613

NOTE.—Foreign branches and agencies of domestic banks not included.

While the combined resources of banks and trust companies decreased by over P10,000,000, the relative position of the banks, compared with the previous year, remained unchanged. Notwithstanding the economic depression, which has affected the entire world, the aggregate deposits decreased by less than P2,000,000 only.

BANKING LEGISLATION

A legislative enactment affecting foreign banks doing business in the Philippine Islands is Act No. 3520, which was approved on February 20, 1929, and went into effect on August 1, 1930. This act requires all foreign banks doing business and accepting deposits payable in the Philippines to have at all times within the Philippine Islands or on deposit outside of the islands, with a trustee designated by the bank commissioner, assets amounting to at least 90 per cent of their deposits payable within the Philippine Islands. This act gives preferential rights to residents and citizens of the Philippine Islands to said assets. It also prescribes a limit to the total liabilities of any person, firm, or corporation to a branch of a foreign bank doing business in the Philippine Islands.

Other acts enacted by the past legislature affecting banking institutions doing business in the Philippines are as follows:

Act No. 3695, amending sections 25, 26, and 27 of Act No. 2938, and which became effective on November 20, 1930, renders the Philippine National Bank subject to the inspection of the bank commissioner with regard to its solvency;

forbids the bank commissioner, the insular auditor, or other officials designated by law to inspect or investigate the condition of said national bank to reveal to any person other than the Governor General, the secretary of finance, and the board of directors the details of such inspection or investigation, or to give information relative to the funds in its custody, or the current accounts or deposits of private individuals, corporations, or any other entity, except by order of competent court.

Act No. 3703, amending section 1636 of Act No. 2711, which was approved on November 20, 1930, requires every bank and banking institution to submit a report to the bank commissioner at least four times a year, upon call, in writing, which report shall show the actual financial condition of such institution and such other information as may be required by the bank commissioner. It also requires each bank, trust company, and building and loan association to publish in some newspaper of general circulation a condensed statement of such reports in the form prescribed by the bank commissioner.

Act No. 3741, amending section 52 of the corporation law, and approved November 22, 1930, requires all business corporations operating in the Philippine Islands to keep a stock and transfer book showing the record of all stock, names of stockholders, installments paid or unpaid, date of payment of any installments, alienation, sale or transfer of stock, and such other entries as the by-laws may prescribe. It permits such corporations to open a share register in any State or Territory of the United States, and to record therein transfer of shares in such Territory or State, such transfer not to become valid unless properly noted upon such register.

MUTUAL BUILDING AND LOAN ASSOCIATIONS

At the close of the year 1930 there were eight mutual building and loan associations engaged in business in the Philippine Islands, as follows:

In the City of Manila:

1. Manila Building and Loan Association.
2. El Hogar Filipino, Sociedad Mutua de Construcción y Préstamos.
3. La Urbana, Sociedad Mutua de Construcción y Préstamos.
4. La Previsora Filipina, Sociedad Mutua de Construcción y Préstamos.
5. El Ahorro Insular, Sociedad Mutua de Construcción y Préstamos.

In the Province of Cebu:

6. Cebu Mutual Building and Loan Association.

In the Province of Zamboanga:

7. Zamboanga Mutual Building and Loan Association.

In the Province of Albay:

8. La Protección (Inc.), Sociedad Mutua de Construcción y Préstamos.

Two other building and loan associations, the Narciseñan Sailors' Mutual Building and Loan Association in Manila and the Balaymi Mutual Building and Loan Association in Dagupan, Pangasinan, were in process of voluntary liquidation at the end of the year.

The following comparative statement of assets and liabilities of mutual building and loan associations as of December 31, 1930, and December 31, 1929, shows the progress made in the business of these associations during the year:

	Dec. 31, 1930	Dec. 31, 1929	Increase (+) or decrease (-)
Assets:			
Real estate loans.....	P20,744,715.16	P18,885,263.39	+ P1,859,451.77
Stock loans.....	1,092,099.51	863,443.12	+228,656.39
Cash.....	231,431.15	241,091.45	-9,660.30
Office building.....	625,800.00	636,600.00	-10,800.00
Other real estate acquired.....	402,774.23	434,293.00	-31,518.77
Other assets.....	1,523,091.89	730,716.65	+792,375.24
Total.....	24,619,911.94	21,791,407.61	+2,828,504.33
Capital paid in.....	20,570,886.49	17,438,739.80	+3,132,146.69
Legal reserve.....	501,546.54	477,433.40	+24,113.14
Other reserve.....	148,051.44	72,653.11	+75,398.33
Borrowed money.....	2,150,098.99	2,196,161.93	-46,062.94
Other liabilities.....	1,249,328.43	1,606,419.37	-357,090.99
Total.....	24,619,911.94	21,791,407.61	+2,828,504.33

PERSONNEL

The bureau of banking is composed of the following personnel: One bank commissioner, 1 assistant bank commissioner, 1 chief bank examiner, 7 bank examiners, 1 accountant and assistant bank examiner, 1 chief clerk, 3 clerks, and 2 messengers. Two examiners resigned from the bureau during the early part of the year under review, one having been appointed manager of a provincial branch of a local bank and the other as branch auditor of another bank. Their places have subsequently been filled by transfer from other government offices.

During the year under review at least one examination has been made of each banking institution under the supervision of the bureau of banking, including the Shanghai and Amoy branches of the China Banking Corporation, as required by law. In view of the limited number of examiners, the proposed policy of examining each such institution twice a year could not be fully carried out. A more frequent examination of banks is desirable in order that the results of closer supervision may be realized.

Statement of expenditures and income of the bureau of banking for the period from January 1, to December 31, 1930.

EXPENDITURES

Salaries and wages-----	P50,271.89
Traveling expenses of personnel-----	3,482.86
Freight, express, and delivery service-----	1.27
Postal, telegraph, telephone, and cable service-----	1,331.36
Illumination and power service-----	599.10
Rental of buildings and grounds-----	4,290.00
Consumption of supplies and materials-----	1,949.77
Printing and binding reports, documents and publications-----	900.00
Maintenance and repair-----	199.06
Outlay for the purchase of furniture and office equipment-----	2,399.18
Miscellaneous service-----	120.00
Total expenditures-----	65,544.49

INCOME

Service income—Reimbursement by banking institutions of 50 per cent of the total expenses incurred by the bureau of banking-----	32,772.25
Net cost to the bureau-----	32,772.24

The total expenses of the bureau for the fiscal year 1930 increased by more than P20,000 over those of the 10-month period of 1929, of which increase the item of salaries and wages amounted to P19,500. This was chiefly due to the fact that the salary of the first bank commissioner is borne partly by the Belo fund and partly by the appropriation for the bureau of banking.

BUREAU OF PRINTING

ACTIVITIES

In accordance with section 1644 of the Revised Administrative Code of 1917, there have been requisitioned from this bureau during the year printing and binding works of the government to the total value of P1,429,530.25, which may be segregated as follows:

Customer .	Number of work orders issued	Cost
Insular Government-----	9,999	P1,113,831.39
Provincial and municipal governments (including city of Baguio)-----	4,057	269,582.74
City of Manila-----	1,097	37,395.53
Private parties-----	447	8,720.59
Total-----	15,600	1,429,530.25

The work executed for private parties consisted in the majority of cases of printing 2-cent internal revenue documentary stamps on private checks and of selling stock forms to semigovernmental and charitable institutions.

The following is a partial list showing the description, quantity, number, and size of pages of the most important government publications by departments printed during the year:

Title	Quantity	Number of pages	Size of page
GOVERNOR-GENERAL			
Bureau of Audits.....	542	416	9½ x 12½
Auditor's Annual Report, Supplement I, 1928.			
The Executive Appropriation.....	1,000	92	6 x 9½
Manual of Information for Private Schools, 1930.			
The Executive Appropriation.....	1,400	48	5½ x 8
Proclamation No. 291 (English).			
The Executive Appropriation.....	1,100	56	5½ x 8
Proclamation No. 291 (Spanish).			
The Executive Appropriation.....	1,706	32	7½ x 16½
Message of the G. G. Dwight F. Davis to the Eighth Philippine Legislature, third session, 1930 (English).			
The Executive Appropriation.....	1,300	36	6 x 9½
Message of the G. G. Dwight F. Davis to the Eighth Philippine Legislature, third session, 1930 (Spanish).			
The Executive Appropriation.....	1,206	504	8 x 12
Budget for 1931.			
The Executive Appropriation.....	1,400	40	5½ x 8
Proclamation No. 279 (English).			
The Executive Appropriation.....	1,160	44	5½ x 8
Proclamation No. 279 (Spanish).			
Bureau of Audits.....	650	414	9½ x 12
Report of the Auditor for the Philippine Islands for Fiscal Year ended Dec. 31, 1929—Central Government.			
Bureau of Civil Service.....	1,200	180	6 x 9½
Thirteenth Annual Report of the Bureau of Civil Service for 1929.			
DEPARTMENT OF THE INTERIOR			
Philippine General Hospital.....	1,000	232	4¾ x 8
Rules and Regulations of the Philippine General Hospital (Revised).			
Philippine Constabulary.....	750	500	6 x 9½
Manual for the Philippine Constabulary.			
Executive Bureau.....	2,524	436	7½ x 10½
Compilation of Provincial Circulars Jan. 1, 1913, to July 31, 1929).			
Annual Report of the Director of the Philippine General Hospital for 1928, Philippine General Hospital.....	300	132	6 x 9½
Philippine Constabulary Regulations, 1930, Philippine Constabulary.....	100	500	6 x 9½
Ninth Annual Report of the Public Welfare Commissioner, 1929, Public Welfare Commission.....	250	270	6 x 9½
Official Constabulary Register for 1930, Philippine Constabulary.....	900	196	6 x 9½
Philippine Constabulary Regulations, 1930, Philippine Constabulary.....	100	500	6 x 9½
Philippine Constabulary Guard Regulations, Philippine Constabulary.....	1,500	84	4½ x 6
Officer's Diary for 1931, Philippine Constabulary.....	500	236	3¾ x 5½
DEPARTMENT OF PUBLIC INSTRUCTION			
Sixteenth Annual Report of the President of the University of the Philippines, June, 1926, to May, 1929, University of the Philippines.....	1,500	72	7½ x 10½
Monthly Bulletin, Vol. IX, No. 11, November, 1929, Philippine health service.....	2,500	48	6 x 9½
Monthly Bulletin, Vol. IX, No. 12, December, 1929, Philippine health service.....	2,500	64	6 x 9½
English Composition—A Manual for Use in Philippine Secondary Schools, bureau of education.....	15,000	48	6 x 9½
Selected Short Poems by Representative American Authors, bureau of education.....	6,000	144	5 x 7¾
Annual Report of the Philippine Health Service, 1927, Philippine health service.....	2,020	360	6 x 9½
P. H. S. Form No. 169, Health Officer's Diary, Philippine health service.....	600	256	4¾ x 6
Bulletin No. 15, Announcement, School of Pharmacy, 1930-31, school of pharmacy, University of the Philippines.....	1,000	24	6 x 9½
Bulletin No. 37, History and Progress of Public Health Work in the Philippine Islands, Philippine health service.....	1,000	36	6 x 9½
Monthly Bulletin, No. 1, Vol. X, January, 1930, Philippine health service.....	2,500	56	5½ x 8
Monthly Bulletin, No. 2, Vol. X, February, 1930, Philippine health service.....	2,500	52	6 x 9½
Monthly Bulletin, No. 3, Vol. X, March, 1930, Philippine health service.....	2,500	44	6 x 9½
Bulletin No. 15, Catalogue of the College of Liberal Arts, 1930-31, University of the Philippines.....	2,000	112	6 x 9½
Elementary Home Economics, bureau of education.....	8,000	330	6 x 9½
Schedule of Classes, first semester, 1930-31, University of the Philippines.....	3,000	32	5½ x 9½
Bulletin No. 14, General Catalogue, 1929-30, general office, University of the Philippines.....	2,000	528	6 x 9½
Annual Report of the Philippine Health Service, 1928, Vol. I, Philippine health service.....	2,020	236	6 x 9½

Title	Quantity	Number of pages	Size of page
DEPARTMENT OF PUBLIC INSTRUCTION—continued			
Philippine Prose and Poetry, bureau of education.....	20,000	168	<i>Inches</i> 5 x 7½
Monthly Bulletin, No. 5, Vol. X, May, 1930, Philippine health service.....	2,500	72	6 x 9½
Thirtieth Annual Report of the Director of Education, 1929, bureau of education.....	6,000	210	6 x 9½
Monthly Bulletin, No. 6, Vol. X, June, 1930, Philippine health service.....	2,500	52	6 x 9½
Bulletin No. 15, Announcement, College of Education, University of the Philippines.....	1,000	52	6 x 9½
Seventeenth Annual Report of the President of the University of the Philippines, University of the Philippines.....	1,500	88	7½ x 10½
Rules and Regulations for the Enforcement of Article XVII, Food and Drug Act, etc., Philippine health service.....	200	28	6 x 9½
Monthly Bulletin, Vol. X, No. 7, July, 1930, Philippine health service.....	2,500	52	6 x 9½
Monthly Bulletin, Vol. X, No. 8, August, 1930, Philippine health service.....	2,500	44	6 x 9½
Annual Report of the Philippine Health Service, 1928, Vol. I, Philippine health service.....	2,020	948	6 x 9½
Eighteenth Annual Report of the President of the University of the Philippines, University of the Philippines.....	1,000	80	7½ x 10½
Monthly Bulletin, Vol. X, No. 9, September, 1930, Philippine health service.....	2,500	44	6 x 9½
Speeches of President Rafael Palma (Spanish), University of the Philippines.....	2,010	552	5¼ x 8
DEPARTMENT OF FINANCE			
Philippine Reports, Vol. 51 (Spanish), bureau of printing, judiciary sales stock.....	1,500	1,190	6 x 9½
Philippine Reports, Vol. 51 (English), bureau of printing, judiciary sales stock.....	1,500	1,134	6 x 9½
Public Laws, Vol. 24 (Spanish), bureau of printing, executive bureau sales stock.....	800	654	8 x 12
Circular No. 27—Rules and Regulations Covering Mutual Benefit Relief and Benevolent Societies or Associations (English), bureau of the treasury.....	2,000	32	6 x 9½
Public Laws, Vol. 24 (English), bureau of printing, executive bureau sales stock.....	800	642	8 x 12
Auditor's Annual Report, Supplement II, 1928, bureau of printing sales stock.....	1,139	2,076	6 x 9½
Executive Orders and Proclamations, 1929 (English and Spanish), bureau of printing sales stock.....	300	576	5¼ x 8
Annual Report of the insular Treasurer of the Philippine Islands for 1929, bureau of the treasury.....	500	166	6 x 9½
Annual Report of the insular Collector of Customs, 1929, bureau of customs.....	2,000	300	6 x 9½
Manual of Information, bureau of printing, civil service sales stock.....	20,000	108	6 x 9½
Annual Report of the Bank Commissioner of the Philippine Islands for 1929, bureau of banking.....	500	60	6 x 9½
Twenty-sixth Annual Report of the Collector of Internal Revenue, 1929, bureau of internal revenue.....	1,000	148	6 x 9½
DEPARTMENT OF JUSTICE			
Brief No. 33139, The Government of the Philippine Islands <i>v.</i> José M. Pamintuan, et al. (English and Spanish), bureau of justice.....	50	20	6 x 9½
Brief No. 32563, The People of the Philippine Islands <i>v.</i> Felicísimo Eusteo, et al. (English), bureau of justice.....	50	24	6 x 9½
Brief No. 33072, Bill of Exceptions, Esteban Arroyo et al. <i>v.</i> director de Terrenos y otros (Spanish), bureau of justice.....	50	16	6 x 9½
Brief No. 33138, Bill of Exceptions, Victor Tasaño <i>v.</i> Juan Posadas, jr., as collector of Internal Revenue (English and Spanish), bureau of justice.....	50	32	6 x 9½
Brief No. 33041, Bill of Exceptions, The Directors of Lands and Forestry <i>v.</i> Enemias Acasio et al. (English), bureau of justice.....	50	108	6 x 9½
Brief No. 33145, Bill of Exceptions, Juan Almacon et al. <i>v.</i> El Director de Terrenos (Spanish), bureau of justice.....	50	24	5¼ x 8
Official Gazette, Vol. 28, English, bureau of justice.....	1,500	5,172	10½ x 15
Gazeta Oficial, Vol. 28, Spanish, bureau of justice.....	1,300	5,334	10½ x 15
Brief No. 32663, El Pueblo de las I. F. <i>v.</i> Agapito Francisco y Josefina Montelo (Spanish), bureau of justice.....	50	16	6 x 9½
Brief No. 32480, "Manuela Macasset <i>v.</i> Tomasa Masongsong, et al" (English), bureau of justice.....	50	16	6 x 9½
Brief No. 31088 (Transcript of Record), Miguel J. Osorio <i>v.</i> Juan Posadas (English), bureau of justice.....	80	336	6 x 9½
Brief No. 33522 (Bill of Exceptions), El Gobierno de las Islas Filipinas <i>v.</i> Delmacio Abelas, et al. (Spanish), bureau of justice.....	50	28	6 x 9½
Brief No. 32732, El Pueblo de las I. F. <i>v.</i> Pablo Galinido y otros (Spanish), bureau of justice.....	50	16	6 x 9½
Brief No. 32868, The Provincial Government of Pampanga <i>v.</i> Feliciano Nable (English), bureau of justice.....	50	60	6 x 9½
Brief No. 32174, El Pueblo de las Islas Filipinas <i>v.</i> Florencio Reyes (Spanish), bureau of justice.....	50	28	6 x 9½
Brief No. 33458 (Bill of Exceptions), Fernando Manubay <i>v.</i> The Director of lands (English), bureau of justice.....	50	16	6 x 9½
Brief No. 32839, El Pueblo de las Islas Filipinas <i>v.</i> "Po Sun Ti and Po Sun Que," bureau of justice.....	50	16	6 x 9½
Procedure in Cadastral Cases, general land registration office.....	1,000	76	8¼ x 11
Brief No. 33685 (Bill of Exceptions), El Pueblo de las Islas Filipinas <i>v.</i> Florencio Reyes (Spanish), bureau of justice.....	50	16	6 x 9½
Brief No. 33147-49, El Pueblo de las Islas Filipinas <i>v.</i> Marcelino Y Victorino Gonzaga (Spanish), bureau of justice.....	50	16	6 x 9½

Title	Quantity	Number of pages	Size of page
DEPARTMENT OF JUSTICE—continued			
Brief No. 33598 (Bill of Exceptions), <i>El Pueblo de las Islas Filipinas v. Faustina Abat, et al.</i> (Spanish), bureau of justice.	50	56	<i>Inches</i> 6 x 9½
Brief No. 33558, <i>The Provincial Government of Tarlac v. Manuel Ernesto Gonzales</i> (English), bureau of justice.	50	16	6 x 9½
Reports of the Public Welfare Commissioner, Vol. II, public welfare commission	1,000	510	6 x 9½
Brief No. 33045, "The People of the Philippine Islands <i>v. Martin Bastayan and Martes, et al.</i> " (English), bureau of justice.	50	16	6 x 9½
Brief No. 33072, "Estabén Arroyo <i>et al. v. Bureau of Forestry and the mun. of Candaba, Pampanga</i> (English), bureau of justice.	50	16	6 x 9½
Brief No. 33291, <i>The Municipality of Taytay v. Director of Lands et al.</i> (English), bureau of justice.	50	20	6 x 9½
Brief No. 33041, <i>El Director de Terrenos v. Enemiesio Acaso, et al.</i> (Spanish), bureau of justice.	50	16	6 x 9½
<i>El Pueblo de las Islas Filipinas v. Gerundio Vicera</i> (Spanish), bureau of justice.	50	16	6 x 9½
Brief No. 33418, <i>El Pueblo de las Islas Filipinas v. Jose Fernandez y otros</i> (Spanish), bureau of justice.	50	16	6 x 9½
Brief No. 33765 (Bill of Exceptions), <i>Luis Galang v. Juan Posadas, Jr., et al.</i> (English and Spanish), bureau of justice.	50	16	6 x 9½
Brief No. 33776 (Bill of Exceptions), <i>El Director de Terrenos v. Chua Chuco</i> (Spanish), bureau of justice.	50	16	6 x 9½
Bulletin No. 2, Minutes of the Katipunan, national library.	1,000	114	7 x 10½
Bulletin No. 1, Rizal's Manuscripts (Epistolario Rizalino, Spanish), national library.	3,000	366	7 x 10½
S. No. 70, Act 3613, Marriage Law (Spanish), national library.	600	20	6 x 9½
S. No. 70, Act 3613, Marriage Law (English), national library.	600	20	6 x 9½
Report, Public Service Commission, Vol. III, public service commission.	1,000	582	6 x 9½
Brief No. 33521, "El Pueblo de los Islas Filipinas <i>v. Aurelio P. Tomas, Aurelio Portillo y Mercedes Vergara</i> " (Spanish), bureau of justice.	50	16	6 x 9½
Briefs Nos. 32133, 32155-56, 32195, 32238-39, 32272-75, 32361-5, 3233, 32353-54, "The Government of the Philippine Islands <i>v. Luis Adelantar et al.</i> " (English), bureau of justice.	50	32	6 x 9½
Brief No. 33545, "Metropolitan Water District <i>v. Sixto de los Angeles, et al.</i> " (English), bureau of justice.	50	84	6 x 9½
Brief No. 33671, "The People of the Philippine Islands <i>v. Miguel Cornejo</i> " (English), bureau of justice.	50	16	6 x 9½
Brief No. 33821, "Kolambungan Lumber & Developing Co. <i>v. Manuel Yia as Prov. Treas. of Lanao</i> " (English), bureau of justice.	50	24	6 x 9½
Brief No. 33598, "El Director de Terrenos <i>v. Faustino Abad</i> " (Spanish), bureau of justice.	50	24	6 x 9½
Brief No. 34218 (Bill of Exceptions), <i>Ramon B. Banaag v. A. D. Williams</i> como Director de Obras Publicas y otros (Spanish), bureau of justice.	50	24	6 x 9½
Annual Report of the Attorney General, 1929, bureau of justice.	300	116	6 x 9½
Brief No. 33765, "Luis Galang <i>et al. v. Juan Posadas, Jr., as Collector of Internal Revenue</i> " (English), bureau of justice.	50	16	6 x 9½
Brief No. 33523, "The People of the Philippine Islands, <i>v. Vicente Tecson et al.</i> " (English), bureau of justice.	50	16	6 x 9½
Brief No. 34364, "Candido B. Lopez <i>v. Jose de los Reyes et al.</i> " (English), bureau of justice.	50	48	6 x 9½
Brief No. 33673, "El Pueblo de los Islas Filipinas <i>v. Moros Asaad, Mawaji y otros</i> " (Spanish), bureau of justice.	50	28	6 x 9½
Brief No. 34359 (Bill of Exceptions), <i>Enrique Villanueva v. El Director de Terrenos</i> (English and Spanish), bureau of justice.	50	28	6 x 9½
Brief No. 34408 (Bill of Exceptions), "El Director de Terrenos <i>v. Timoteo Abarca, et al.</i> " (Spanish), bureau of justice.	50	28	6 x 9½
Brief No. 33523, "El Pueblo de las I. F. <i>v. Joaquin Marasigan y otros</i> " (Spanish), bureau of justice.	50	56	6 x 9½
Brief No. 33909, "The People of the Philippine Islands <i>v. Remedios Avelino de Linao, et al.</i> " (English), bureau of justice.	50	32	6 x 9½
Brief No. 34010, "El Pueblo de las I. F. <i>contre Nicolas Rafols</i> " (Spanish), bureau of justice.	50	24	6 x 9½
Brief No. 33629, "The Director of Lands <i>v. Eugenio Aballa, et al.</i> " (English), bureau of justice.	50	16	6 x 9½
Brief No. 34534 (Bill of Exceptions), <i>Wencesleo Manuel, et al. v. El Director de Terrenos</i> (Spanish), bureau of justice.	50	16	6 x 9½
Brief No. 33815, "The People of the Philippine Islands <i>v. A. W. F. Griffiths & Mr. Richards, etc.</i> " (English), bureau of justice.	50	16	6 x 9½
DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES			
Bulletin No. 19, North Polar Distance of the Sun, 1930, bureau of lands.	1,000	32	6 x 9½
Annual Report of the Weather Bureau, Part I, 1924 (Scientific), weather bureau.	700	364	9½ x 12
The Philippine Journal of Science, Vol. 41, No. 2, bureau of science.	1,300	160	7½ x 10½
Bureau of Science Monograph No. 27, Filterable Virus Rickettsia Diseases, by Earl Baldwin McKinley, bureau of science.	500	586	6 x 9½
Reprint from the Philippine Agricultural Review, Vol. XXI, Second Quarter, 1929, No. 2, bureau of agriculture.	500	16	6 x 9½
Reprint from the Philippine Agricultural Review, Second Quarter, 1929, Vol. XXII, No. 2, bureau of agriculture.	1,500	28	6 x 9½
Reprint from the Philippine Agricultural Review, Vol. XXII, second quarter, 1929, No. 2, bureau of agriculture.	500	24	6 x 9½

Title	Quantity	Number of pages	Size of page
DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES—continued			
			<i>Inches</i>
Reprint from the Philippine Journal of Science, Vol. 41, No. 2, bureau of science.	110	46	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 41, No. 2, bureau of science.	110	20	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 41, No. 2, bureau of science.	110	18	7½ x 10½
Annual Report of the Weather Bureau, Parts I and II, 1924 (Scientific), weather bureau.	700	144	9½ x 12
Aag Magsasakang Filipino, Vol. III, fourth quarter, bureau of agriculture.	5,200	16	9½ x 12
Bulletin No. 44, Vegetable Gardening and Truck Farming in the Philippines, bureau of agriculture.	1,000	98	6 x 9½
The Philippine Journal of Science, Vol. 41, No. 3, bureau of science.	1,300	186	7½ x 10½
The Bureau of Plant Industry—How It Helps the Farmers, bureau of plant industry.	2,000	28	5½ x 7½
Reprint from the Philippine Journal of Science, Vol. 41, No. 3, bureau of science.	110	64	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 41, No. 3, bureau of science.	110	34	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 41, No. 3, bureau of science.	110	26	7½ x 10½
The Philippine Agricultural Review, Vol. XXII, No. 4, Fourth Quarter, 1929, bureau of agriculture.	1,200	208	7½ x 10½
Popular Bulletin No. 1, Preservation of Philippine Foods, bureau of science.	5,000	36	6 x 9½
Seismological Bulletin for January to June, 1929, weather bureau.	500	40	9½ x 12
The Philippine Journal of Science, Vol. 41, No. 4, bureau of science.	1,300	170	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 41, No. 4, bureau of science.	110	20	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 41, No. 4, bureau of science.	110	16	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 41, No. 4, bureau of science.	110	134	7½ x 10½
The Philippine Journal of Science, Vol. 42, No. 1, bureau of science.	1,300	224	7½ x 10½
Annual Report of the Weather Bureau, Part IV, 1926, weather bureau.	500	48	9½ x 12
The Philippine Journal of Science, Vol. 42, No. 2, bureau of science.	1,300	174	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 1, bureau of science.	200	116	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 2, bureau of science.	110	38	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 3, bureau of science.	110	66	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 3, bureau of science.	110	26	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 3, bureau of science.	110	180	7½ x 10½
The Philippine Journal of Science, Vol. 42, No. 3, bureau of science.	1,300	142	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. E, bureau of science.	310	18	7½ x 10½
Annual Report of the Weather Bureau, Parts I and II, 1925 (scientific), weather bureau.	700	148	9½ x 12
The Philippine Journal of Science, Vol. 42, No. 4, bureau of science.	1,300	218	7½ x 10½
Annual Report of the Director of Lands, 1929, Bureau of lands.	1,000	106	6 x 9½
Reprint from the Philippine Journal of Science, Vol. 42, No. 4, bureau of science.	110	86	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 4, bureau of science.	110	34	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 4, bureau of science.	110	32	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 4, bureau of science.	110	28	7½ x 10½
Reprint from the Philippine Journal of Science, Vol. 42, No. 4, bureau of science.	110	16	7½ x 10½
How to Use the Veterinary Research Laboratory Diagnosis Service—a Pocket Manual (Revised), bureau of animal industry.	500	20	5½ x 7½
Philippine Piperaceae, by Eduardo Quisumbing, Vol. 43, No. 1, Philippine Journal of Science, bureau of science.	1,300	296	7½ x 10½
Reprint from the Philippine Piperaceae, by Eduardo Quisumbing, Vol. 43, No. 1, Philippine Journal of Science, bureau of science.	145	296	7½ x 10½
The Philippine Journal of Agricultural Research, Vol. 1, No. 1, bureau of plant industry.	1,200	158	6 x 9½
Notes on Service Breeding in the Philippines, bureau of animal industry.	2,000	68	6 x 9½
Reprint of the Philippine Journal of Agricultural Research, bureau of plant industry.	400	172	6 x 9½
The Philippine Journal of Science, Vol. 43, No. 2, bureau of science.	300	168	7½ x 10½
Bulletin No. 2, Explanation of Livestock Terms, bureau of animal industry.	2,000	24	6 x 9½
Reprint from Journal of Science, Vol. 43, No. 2, October, 1930, bureau of science.	110	18	6 x 9½
Reprint from Journal of Science, Vol. 43, No. 2, October, 1930, bureau of science.	110	2	6 x 9½
Reprint from Journal of Science, Vol. 43, No. 2, October, 1930, bureau of science.	110	12	6 x 9½
Reprint from Journal of Science, Vol. 43, No. 2, October, 1930, bureau of science.	110	32	6 x 9½
Reprint from Journal of Science, Vol. 43, No. 2, October, 1930, bureau of science.	110	104	6 x 9½
Seismological Bulletin for July to December, 1929, weather bureau.	500	52	9½ x 12
The Philippine Journal of Agricultural Research, Vol. I, No. 2 second quarter, bureau of plant industry.	1,200	126	6 x 9½
Annual Report of the Director of Forestry for 1929, bureau of forestry.	1,000	300	6 x 9½
The Philippine Journal of Science, Vol. 43, No. 3, bureau of science.	1,300	136	7½ x 10½
The Philippine Journal of Science, Vol. 43, No. 4, bureau of science.	1,300	240	7½ x 10½
Administrative Order No. 3, Galvanized Iron, etc., bureau of science.	300	12	6 x 9½
Index to the Philippine Agricultural Review, Vols. I-XXII, bureau of animal industry.	2,000	52	6 x 9½
Popular Bulletin No. 6, Preliminary Report on the Weather at Tagaytay, bureau of science.	1,000	28	9½ x 12
Rules and Regulations Prescribing Schedule of Charges for Work Done by the Bureau of Science, bureau of science.	2,000	24	6 x 9½

Title	Quantity	Number of pages	Size of page
DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES—continued			
Five Place Logarithmic Tables, Extracts from the American Practical Navigators, bureau of lands.	1,000	84	<i>Inches</i> 7½ x 10½
Bulletin No. 5, Simple Remedies for Common Poultry Diseases in the Philippines, bureau of animal industry.	5,000	20	6 x 9½
Bulletin No. 4, Pigeon Raising, bureau of animal industry.	5,000	44	6 x 9½
Bulletin No. 3, Como se Desarrolla y Mejora una Manada con la Descripción de sus Enfermedades más Comunes en Filipinas (Spanish), bureau of animal industry.	1,000	206	6 x 9½
Bulletin No. 2, una Explicación de Terminos Ganaderos (Spanish), bureau of animal industry.	2,000	28	6 x 9½
Philippine Live Stock Bibliography, bureau of animal industry.	2,000	60	6 x 9½
Weather Bureau Monthly Bulletin, September to December, 1928, weather bureau.	1,000	150	9½ x 12
DEPARTMENT OF COMMERCE AND COMMUNICATIONS			
Commerce and Industry Journal, Vol. V, No. 12, December, 1929, bureau of commerce and industry.	2,000	20	9¼ x 12½
Commerce and Industry Journal, Vol. VI, January, 1930, bureau of commerce and industry.	2,000	24	9 x 12¼
Commerce and Industry Journal, Vol. VI, February, 1930, bureau of commerce and industry.	2,000	24	9½ x 12½
Commerce and Industry Journal, Vol. VI, No. 3, March, 1930, bureau of commerce and industry.	2,000	24	9¼ x 12½
Cooperative Marketing Law, Act No. 3425 (English), bureau of commerce and industry.	1,000	20	6 x 9½
Commerce and Industry Journal, Vol. VI, No. 4, April, 1930, bureau of commerce and industry.	2,000	24	9¼ x 12½
Magnetic Declination in the Philippine Islands in 1925, bureau of coast and Geodetic survey.	1,000	36	6 x 9½
Commerce and Industry Journal, Vol. VI, No. 5, May, 1930, bureau of commerce and industry.	2,000	24	9¼ x 12½
Amendments to the Manual of the Postal and Telegraph Service, Supplement No. 3, bureau of posts.	1,500	36	5½ x 9½
Commerce and Industry Journal, Vol. VI, No. 6, June, 1930, bureau of commerce and industry.	2,000	24	9½ x 12½
H. No. 1859, Act No. 3428—Compensation Law (English), bureau of labor.	1,000	20	6 x 9½
Commerce and Industry Journal, Vol. VI, No. 7, July, 1930, bureau of commerce and industry.	2,000	24	9¼ x 12½
Commerce and Industry Journal, Vol. VI, No. 8, August, 1930, bureau of commerce and industry.	2,000	24	9¼ x 12½
Labor Bulletin No. 27, bureau of labor.	3,000	262	7½ x 10½
Lists of Lights, Buoys, Beacons, and Day Marks of the Philippines, bureau of commerce and industry.	800	80	8½ x 11
Commerce and Industry Journal, Vol. VI, No. 9, September, 1930, bureau of commerce and industry.	2,000	24	9¼ x 13½
Bureau of Public Works Bulletin, Vol. 18, No. 1, January, 1930, bureau of public works.	2,500	66	9½ x 12
Commerce and Industry Journal, Vol. VI, No. 10, bureau of commerce and industry.	2,000	24	9¼ x 12½
Statistical Bulletin No. 12 (1929), bureau of commerce and industry.	2,000	178	6 x 9½
Commerce and Industry Journal, Vol. VI, No. 11, November, 1930, bureau of commerce and industry.	2,000	24	9¼ x 12½
CITY OF MANILA			
Ordinance No. 1876 (Spanish), municipal board.	150	56	6 x 9½
Ordinance No. 1876 (English), municipal board.	150	52	6 x 9½
Brief No. 32882, The City of Manila v. Carlos Young, et al. (English), department of engineering and public works.	50	24	6 x 9½
Brief No. 33506, "The City of Manila v. Manila Electric Co." (English), department of engineering and public works.	50	24	6 x 9½
PHILIPPINE LEGISLATURE			
Speech of Hon. Jorge B. Delgado on Japanese Problem, house of representatives.	100	24	6 x 9½
Appropriation Act for 1930, Act No. 3638 (Spanish), house of representatives.	3,036	296	6 x 9½
Speech of Hon. Francisco Arellano Against Appropriation Bill for 1930, house of representatives.	100	24	6 x 9½
Speech of Hon. Francisco Arellano Against Appropriation Bill for 1930 (account of Hon. Francisco Arellano), house of representatives.	100	24	6 x 9½
Speech of Hon. Bernardo Torres Against Appropriation Bill for 1930, house of representatives.	100	20	6 x 9½
Actas del Senado de Filipinas, Vol. XIII, first session, Eighth Philippine Legislature, Philippine Senate.	1,000	396	9½ x 12
Historial de los Proyectos de Ley y de Resolucion, etc., house of representatives.	1,000	126	9½ x 12
Index to Diario de Sesiones de la Legislatura Filipina, Vol. I, 1926, house of representatives.	1,000	184	9½ x 12

Title	Quantity	Number of pages	Size of page
PHILIPPINE LEGISLATURE—continued			
Speech of Hon. Jorge B. Delgado on Radio Corporation of the Philippines, house of representatives.....	100	16	<i>Inches</i> 6 x 9½
Speech of Hon. Jose G. Domingo Against the Reform of the Divorce Law, house of representatives.....	400	16	6 x 9½
Speech of Hon. Isidro Vamenta, house of representatives.....	100	24	6 x 9½
Discurso en contra del Senador Sumulong Sobre las Enmiendas a la Ley de Corporaciones, Philippine Senate.....	1,000	44	6 x 9½
Actas del Senado de Filipinas, extraordinary session, Eighth Philippine Legislature, Philippine Senate.....	1,000	52	9½ x 12
Official Directory—House of Representatives, Eighth Philippine Legislature, house of representatives.....	400	180	5¼ x 8
Diario de Sesiones, Vol. V, No. 1, house of representatives.....	1,000	20	9½ x 12
Diario de Sesiones, Vol. V, No. 2, house of representatives.....	1,000	24	9½ x 12
Speech of Hon. M. E. Marcos, house of representatives.....	100	12	6 x 9½
Speech of Hon. Bernabe—Regarding the Municipality of Makati (Spanish), house of representatives.....	100	12	6 x 9½
Speech of Hon. J. C. Locsin—Sugar Planters, house of representatives.....	100	12	6 x 9½
Speech of Hon. J. C. Locsin—Sugar Planters (Add.), house of representatives.....	200	12	6 x 9½
Speech of Hon. V. J. Yanson—The Necessity of Revising the Contracts between the Centrals and the Planters (Spanish), house of representatives.....	300	20	6 x 9½
Printing Preliminary Matter and Alphabetical Index and Binding, with acts and resolutions passed during the second session, Eighth Philippine Legislature (Spanish), house of representatives.....	200	1,182	6 x 9½
Speech of Hon. Manuel Bernabe—The Calamity of the Policy of the Nacionalistas (Spanish), house of representatives.....	100	24	6 x 9½
Speech of Hon. Severo Hernandez—Preparing the General Reduction of Salaries of Government Officials and Employees to Avoid the Deficit (Spanish), house of representatives.....	100	16	6 x 9½
Speech of Hon. Jose G. Domingo on Women's Right to Dispose of her Paraphernal Properties, house of representatives.....	300	24	6 x 9½
Speech of Hon. Severo Hernandez—Presupuestos Generales del Gobierno Insular para el Año 1930, house of representatives.....	100	16	6 x 9½
Speech of Hon. Tomas Buenaflor on the Defense of Unjust Attack of the Press Against his Personality, house of representatives.....	100	16	6 x 9½
Speech of Hon. Sotero B. Cabahug on proposed Bill No. 3208, house of representatives.....	100	36	6 x 9½
Speech of Hon. B. Delgado in connection with the Change of the name of the Municipality of Delgado to the Municipality of Anahawan, house of representatives.....	100	16	6 x 9½
Speech of Hon. Jose P. Melencio Against National Board of Education, house of representatives.....	100	16	6 x 9½
Speech of Hon. Tomas Alonso that Corruption Exists in the Supreme Court in the Philippine Islands, house of representatives.....	100	40	6 x 9½
Speech of Hon. Tomas Alonso on Justice John's Letter, house of representatives.....	100	20	6 x 9½
Speech of Hon. Benito Soliven—Por la Libertad de las Escuelas Privadas, house of representatives.....	100	16	6 x 9½
Speech of Hon. Manuel Bernabe Against National Board of Education, house of representatives.....	100	16	6 x 9½
Proposed Penal Code (Spanish), house of representatives.....	100	16	6 x 9½
Preliminary Reports of the Special Committee on Taxation to the Philippine Legislature, Philippine Senate.....	800	298	8¼ x 10½
Speech of Hon. Cirilo B. Santos—Appropriation Bill, house of representatives.....	500	72	7½ x 10¼
Speech of Hon. T. Alonso versus Supreme Court, house of representatives.....	100	44	6 x 9½
Speech of Hon. T. Alonso Denouncing some Anomalies in the Supreme Court, house of representatives.....	100	32	6 x 9½
Speech of Hon. J. A. Clarin—La Ley Jones y la Carta Magna (Spanish), Philippine Senate.....	100	16	6 x 9½
Speech of Hon. J. A. Clarin—La Ley Jones y la Carta Magna (English), Philippine Senate.....	1,000	20	6 x 9½
Speech of Hon. Gregorio Anonea on General Appropriation Bill for 1931, house of representatives.....	1,000	24	6 x 9½
Speech of Hon. Arsenio Bonifacio Against General Appropriation for 1931, house of representatives.....	100	36	6 x 9½
Speech of Hon. Jose G. Domingo Against Appropriation Bill for 1931, house of representatives.....	100	36	6 x 9½
Speech of Representative Montano A. Ortiz—The Appropriation Act is Considered the Greatest Price of Legislature, house of representatives.....	100	36	6 x 9½
Speech of Hon. Fidel Ibañez on the National Board of Education.....	500	24	6 x 9½
Speech of Representative Manuel Bernabe—Pedimos un Presupuesto Economico, house of representatives.....	100	16	6 x 9½
Speech of Representative Rufo G. Cruz—La Ley de Presupuestos debe reunir Exertas Condiciones entre ellos, la Universidad, house of representatives.....	100	16	6 x 9½
Speech of Representative Nicolas Rafols—Melger-Belgado Case, house of Representatives.....	100	16	6 x 9½
Brief No. 33849, "El Pueblo de las Islas Filipinas v. Teofilo C. Santos" (Spanish), house of representatives.....	300	24	6 x 9½
Brief No. 34056, "Victorino Lipana v. Raymundo Joson y el Director de Terrenos" (Spanish), house of representatives.....	50	16	6 x 9½
	50	16	6 x 9½

Title	Quantity	Number of pages	Size of page
PHILIPPINE LEGISLATURE—continued			
H. No. 3455, Act. No. 3803, (English), Appropriation Act for 1931, house of representatives.....	3,036	350	6 x 4½
Speech of Representative Severo Hermando—Sobre la Ley de Presupuestos para 1930, house of representatives.....	100	16	6 x 9½
Reprinting Speech of Representative Jose G. Domingo, Comments on the Appropriation Bill (English), house of representatives.....	500	16	6 x 9½
Speech of Hon. Pedro Gil on Appropriation Bill for 1931, house of representatives.....	500	32	6 x 9½
C. R. No. 3998, Act No. 3813 (Spanish), house of representatives.....	3,000	56	6 x 9½
C. R. No. 3366, Act No. 3815 (Spanish), house of representatives.....	3,000	124	6 x 9½
Diario de Sesiones, Vol. V, house of representatives.....	1,000	1,132	9½ x 12
PRIVATE FIRMS AND INDIVIDUALS			
Annual Report, Dec. 31, 1929, Manila Railroad Co.....	1,000	158	8 x 10½

The money value of the printing and binding work ordered by each bureau and government office, city of Manila, Provinces, United States Army and Navy, and private firms and individuals is as follows:

Name of customer	Cost of work executed	
	1929	1930
Governor General:		
Bureau of audits.....	P15,056.07	P15,527.59
Board of Accountancy.....	300.14	21.30
General purpose fund, care of Secretary of the Interior.....		47.68
General purpose fund.....	97.32	2.70
Bureau of civil service.....	2,757.19	4,178.34
Executive appropriation.....	15,375.58	15,712.77
Executive, bureau of customs—Investigating committee.....		5.39
Total.....	33,586.30	35,495.77
Department of the interior:		
Bureau of non-Christian tribes.....	675.55	628.18
Philippine General Hospital.....	7,761.89	9,631.71
Southern Island Hospital.....	46.60	66.58
Philippine constabulary.....	15,268.37	24,020.53
Executive bureau.....	1,615.79	1,532.26
Board of examiners.....	1,116.05	807.80
Board of pharmaceutical examiners and inspectors, Official Gazette.....	83.94	
Office of the public welfare commission.....	6,404.87	4,503.95
Metropolitan water district.....	3,429.79	4,096.59
Total.....	36,402.85	45,287.60
Department of public instruction:		
Bureau of education.....	95,720.30	64,806.94
Pension fund.....	5.60	
Philippine Health Service.....	44,592.39	45,537.52
Bureau of quarantine service.....	710.36	511.40
University of the Philippines.....	10,767.18	13,246.57
College of agriculture.....	1,157.06	669.03
College of engineering.....	80.95	87.65
College of liberal arts.....	193.15	
College of fine arts.....	34.20	16.28
College of law.....	327.30	76.45
College of medicine.....	1,124.10	220.83
College of veterinary science.....	47.00	49.65
School of hygiene, University of the Philippines.....	238.80	16.73
College of conservatory of music.....	110.55	
College of education.....	173.05	61.44
Agricultural education, college of education.....		14.78
Junior college, University of the Philippines, Cebu.....	328.80	253.05
Library, University of the Philippines.....	1,701.40	2,086.05
Philippine Legislature:		
Philippine Senate.....	9,817.34	10,630.25
Account of Senator Arranz.....		83.06
House of representatives.....	36,556.81	44,477.22
Account of Representative H. T. Arellano.....		25.29
Account of Representative J. Domingo.....		64.03
Account of Representative L. Santiago.....		9.99
Account of Representative J. P. Molencio.....		25.03

Name of customer	Cost of work executed	
	1929	1930
Philippine Legislature—Continued.		
House of representatives—Continued.		
Account of Representative J. V. Corpus		P39.34
Account of Representative V. J. Yanson		4.70
Account of Representative L. C. Locsin		3.40
Account of Representative Suñer		32.08
Account of Representative P. Gil		23.69
Account of Representative F. Ibañez		26.75
Account of Representative Alaz		41.27
Account of Representative N. Rafols		5.36
Account of Representative F. R. Millar		29.57
Account of Representative L. Luna		19.91
Account of Representative G. Anonas		49.88
Total	P46,374.15	55,589.82
Provinces:		
Abra	2,135.72	2,184.99
Agusan	1,288.64	1,223.59
Provincial Hospital	9.48	
Albay	9,437.25	7,302.56
Provincial Hospital	63.50	126.64
Antique	3,810.72	3,303.67
Provincial Hospital		14.08
Bataan	2,692.31	2,273.31
Batanes	667.17	543.54
Batangas	8,317.34	7,061.84
Provincial Hospital	7.30	67.33
Bebel	9,811.88	8,968.60
Provincial Hospital		29.44
Bukidnon	1,749.34	1,312.59
Bulacan	8,214.85	7,091.26
Cagayan	4,309.54	6,535.71
Camarines Norte	1,902.21	1,140.23
Camarines Sur	5,014.27	5,808.63
Capiz	6,617.75	6,890.76
Provincial Hospital		15.84
Cavite	5,738.37	5,830.42
Cebu	13,814.01	15,274.49
Cotabato	1,962.45	2,700.45
Davao	4,040.11	5,357.30
Provincial Hospital	45.25	8.72
Ilocos Norte	6,887.83	6,634.82
Ilocos Sur	6,168.95	6,060.89
Provincial Hospital	11.50	27.40
Cervantes Emergency Hospital		13.46
Municipal treasurer, Vigan		7.88
Iloilo	12,016.61	13,773.27
Isabela	2,989.35	3,847.12
Laguna	9,064.76	8,825.88
Provincial Hospital	164.64	37.20
San Pablo Hospital		43.15
Main library, University of the Philippines		746.34
School of forestry, University of the Philippines	40.20	9.12
Northern Luzon junior college, University of the Philippines, Vigan		217.68
School of dentistry, University of the Philippines		21.83
School of pharmacy, University of the Philippines	43.40	45.51
Health college of medicine	93.30	
University health, University of the Philippines	6.75	
Department of physical education	91.95	
Total	157,587.79	128,694.85
Department of finance:		
Bureau of customs	17,414.19	14,476.24
Bureau of internal revenue	63,370.94	62,899.22
Treasury bureau	3,905.64	4,736.45
Bureau of banking	654.93	879.15
Bureau of printing	8,797.57	5,518.94
Printing and customs investigating committee		14
Bureau of printing sales stock:		
Stock forms	237,079.00	301,557.79
Gaceta Oficial	8,744.52	8,817.62
Official Gazette	8,653.78	8,560.51
Executive bureau	15,848.00	13,165.03
Judiciary	19,453.05	16,206.37
Miscellaneous	4,712.20	6,381.12
Total	388,613.82	443,198.58

Name of customer	Cost of work executed	
	1929	1930
Department of justice:		
Bureau of justice.....	P21,520.66	P24,446.70
Board of public service commissioners.....	7,935.38	9,226.14
Inferior courts.....	9,901.84	7,811.13
National library.....	950.73	8,438.89
National library, general purpose fund.....		35.52
National museum.....		254.50
Bureau of prisons.....	3,182.30	3,363.91
Supreme court, clerk.....	1,879.87	3,202.86
General land registration office.....	16,396.53	24,088.04
Gaceta official land notices.....	25,437.52	32,888.13
Official Gazette land notices.....	20,413.68	26,256.99
Segregation.....		35.54
Total charges of republication.....	765.07	109.66
Total.....	108,762.01	140,255.01
Department of agriculture and natural resources:		
Bureau of agriculture.....	26,550.21	2,762.38
Rice colonization and plantation fund, Act 2818.....	79.18	11.52
Stock herds and farms.....	9.50	
Bureau of plant industry.....		6,802.14
Bureau of animal industry.....		6,727.79
Bureau of forestry.....	10,329.67	8,982.80
Bureau of Lands.....	37,753.16	19,954.79
Board of examiners for surveyors.....		199.99
Bureau of science.....	45,949.50	37,252.22
Weather bureau.....	29,333.76	17,504.41
Total.....	150,004.98	100,198.04
Department of commerce and communications:		
Bureau of public works.....	8.11	
Bureau of posts.....	32,386.31	27,607.94
Bureau of supply.....	110,627.61	100,949.99
Division of cold storage.....	12,060.65	10,690.45
Posts investigating committee.....	4,533.02	3,540.76
Bureau of Labor.....	8.80	
Bureau of coast and geodetic survey.....	2,111.96	5,334.88
Bureau of commerce and industry.....	469.86	654.50
Total.....	16,301.41	16,333.20
Total.....	178,507.73	165,111.72
City of Manila:		
Municipal board.....	3,072.23	3,655.88
Department of city schools.....	1,107.33	1,152.03
City treasurer.....	7,985.00	708.74
Department of engineering and public works.....	5,953.54	4,669.12
Fire department.....	936.19	1,319.56
Department of law:		
City fiscal.....	586.96	951.24
Court of first instance.....	2,279.79	1,804.31
Notices in the Official Gazette, English and Spanish.....	126.00	139.83
Municipal court.....	2,119.30	2,280.96
Sheriff of Manila.....	470.75	472.50
Department of police.....	1,656.29	1,554.64
Department of finance.....	13,305.06	17,195.73
Office of the city physician.....	155.05	189.50
Office of the mayor.....	403.07	311.59
District Auditor's office.....	155.51	258.07
Notices in the Official Gazette, English and Spanish.....	12.86	
Department of public recreation.....	106.66	43.80
Department of assessment.....	403.16	583.02
City sanatorium.....	76.54	105.01
Secret service division of police.....	56.20	
Total.....	40,967.51	37,595.53
Lanao.....	1,944.92	2,540.89
La Union.....	5,766.97	5,624.40
Leyte.....	12,130.66	9,188.36
Marinduque.....	1,477.40	1,472.96
Masbate.....	2,801.14	1,909.34
Mindoro.....	3,369.49	3,459.72
Misamis.....	5,233.65	245.80
Misamis, Occidental.....		4,771.02
Misamis, Oriental.....		4,907.38
Mountain.....	4,216.48	2,144.61
Negros Occidental.....	10,037.09	10,071.14
Provincial hospital.....	71.64	79.26
Negros Oriental.....	6,339.55	5,230.86

Name of customer	Cost of work executed	
	1929	1930
Nueva Ecija.....	P9, 663. 83	P8, 698. 99
Provincial hospital.....		44. 16
Nueva Vizcaya.....	2, 059. 22	2, 446. 02
Provincial hospital.....	20. 95	51. 59
Palawan.....	2, 350. 61	2, 176. 85
Pampanga.....	6, 630. 61	6, 001. 24
Pangasinan.....	22, 130. 18	13, 960. 56
Provincial hospital.....	144. 39	443. 39
Rizal.....	6, 994. 99	8, 936. 08
Romblon.....	1, 931. 34	2, 294. 74
Samar.....	6, 312. 68	5, 941. 91
Sorsogon.....	3, 742. 31	3, 343. 08
Provincial hospital.....		54. 93
Sulu.....	2, 624. 85	2, 582. 07
Surigao.....	3, 343. 37	4, 131. 51
Tarlac.....	7, 855. 56	6, 195. 32
Provincial hospital.....	27. 22	156. 07
Tayabas.....	11, 912. 51	11, 018. 17
Provincial hospital.....	172. 89	136. 94
Zambales.....	3, 315. 33	2, 349. 20
Zamboanga.....	5, 565. 21	5, 550. 63
Provincial hospital.....	89. 54	
City of Baguio.....	2, 021. 22	1, 032. 06
Baguio Hospital.....	36. 61	
Deputy treasurer.....		10. 44
Total.....	282, 297. 72	269, 582. 74
Outside work order:		
United States Government—		
Department of the United States Army and Navy.....	18. 00	
United States Veterans' Bureau.....		3. 90
Forty-fifth Infantry.....		6. 00
Private firms and individuals.....	24, 543. 77	8, 710. 69
Total.....	24, 561. 77	8, 720. 59
Grand total.....	1, 447, 666. 63	1, 429, 530. 25

TRAINING OF APPRENTICES

Of the 22 apprentices under instructions at the beginning of the fiscal year, 3 have finished their apprenticeship and promoted to junior craftsmen. Only one apprentice has been appointed during the year, and the present incumbents are believed to be sufficient to fill the positions left vacant due to retirements, deaths, and resignations of competent craftsmen.

PERSONNEL

There were 504 employees on the rolls of the bureau of printing on December 31, 1930, as compared with 522 employees on December 31, 1929. This bureau has no native employee of the non-Christian tribes detailed in the special Provinces.

During the year there had been 31 employees dropped from the rolls of this bureau. Of this number, 7 died, 16 voluntarily resigned, 2 retired, 1 transferred, and 5 dropped for desertion of posts.

FISCAL OPERATION

The product of the bureau of printing for the fiscal year 1930, as during the previous year, was charged at the same uniform scale of prices, the total amounting to ₱1,163,483.96. During that period the cost of operation was ₱876,521.37, making a profit of ₱286,962.59.

*Comparative table of itemized income and expenses of operation of this bureau
between the fiscal years 1929 and 1930*

INCOME

	Jan. 1 to Dec. 31, 1929	Jan. 1 to Dec. 31, 1930
Printing and binding services:		
Insular government.....	P792,954.27	P748,092.14
Provincial and municipal governments.....	282,283.32	269,572.49
City of Manila.....	40,967.51	37,396.53
Other government offices.....	3,428.79	4,096.59
United States Army and Navy.....	18.00	9.80
Private firms and individuals.....	24,543.77	13,010.09
Subtotal.....	1,144,196.66	1,072,177.74
Sales of supplies:		
Documents.....	20,890.80	18,966.92
Official Gazette.....	14,141.90	20,095.85
Gaceta Oficial.....	11,590.90	16,148.20
Miscellaneous.....	2,201.30	2,680.24
Subtotal.....	48,824.90	57,891.21
Total sales of supplies and services.....	1,193,021.56	1,130,068.95
Deduct cost of goods sold.....	318,574.75	310,186.01
Gross profit on sales.....	874,446.81	819,882.94
Incidental receipts.....	2,053.04	1,703.82
Production account.....	319,298.95	341,897.20
Gross income.....	1,195,798.80	1,163,483.96

EXPENSES

Salaries of officers and employees.....	P56,003.15	P107,660.72
Wages of laborers and apprentices.....	448,413.79	393,974.70
Traveling expenses of personnel.....	2,499.99	2,499.21
Freight, express, and delivery service.....	5,019.45	5,129.82
Postal, telephone, telegraph, and cable service.....	3,798.54	4,394.81
Illumination and power service.....	3,930.96	2,755.35
Other services.....	3,577.17	1,398.45
Consumption of supplies and materials.....	318,806.72	321,774.14
Free distribution of documents.....	9,050.50	7,960.03
Maintenance of equipment.....	739.54	1,318.51
Depreciation of equipment.....	51,944.42	16,449.77
Deterioration of supplies and sales stock.....	559.72	11,205.86
Gross expense.....	904,343.95	876,521.37
Profit on operation.....	291,454.85	286,962.59

Record of deliveries.—The extent of the work of the delivery section is shown by the following table, the corresponding figures for the fiscal years 1913, 1919, and 1929 being also given :

Method of transportation	Number of pack- ages	Pounds	Method of transportation	Number of pack- ages	Pounds
By auto trucks (Manila):			By freight:		
1913.....	35,423	586,953	1913.....	2,563	365,943
1919.....	38,420	815,364	1919.....	3,084	402,670
1929.....	47,094	949,495	1929.....	3,506	521,525
1930.....	50,991	889,249	1930.....	3,691	541,285
By mail (including periodicals):			Total:		
1913.....	137,012	51,063	1913.....	171,998	1,003,959
1919.....	127,792	32,892	1919.....	169,306	1,250,925
1929.....	438,699	81,124	1929.....	490,199	1,552,144
1930.....	428,325	88,629	1930.....	483,007	1,519,163

Consumption of materials.—The cost of printing paper (including envelopes, shipping tags, bristol board, cardboard, and tagboard) and all other supplies required for operation and which entered into the product during the year was ₱321,774.14. Included in the consumption of materials for the year are printing inks of various colors, cloth and leather of different kinds for binding purposes, the quantity and cost of which are as follows:

	Quantity	Cost
Printing inks.....	5,048 pounds.....	₱4,557.50
Cloth for binding.....	14,137 yards.....	9,782.56
Leather for binding.....	1,279 skins.....	5,395.54

Quantity of paper consumed during the fiscal years 1903, 1913, 1919, 1929, and 1930

Year	Book, writing bond, and ledger paper		Bristol board and card-board		Envelopes, number
	Ream	Pound	Sheet	Pound	
1903.....	7,201	347,164	48,530	15,808	192,000
1913.....	16,512	850,048	240,592	53,660	5,101,461
1919.....	24,884	1,146,071	406,267	89,385	6,190,242
1929.....	22,629	969,759	298,200	87,910	9,138,644
1930.....	25,208	1,035,264	321,503	79,590	9,899,015

Quantity of books and pamphlets printed and bound.—There have been printed during the year 699,890 pads, 2,963,930 pamphlets having over 16 pages, and 5,330 blank books. A total of 38,360 library books of various sizes ordered for binding only were received.

Appropriation Act No. 3638.—The appropriation act for the fiscal year 1930 provided the bureau of printing with the amount of ₱1,173,723. At the end of the year this appropriation had a surplus of ₱296,938.40, which was reverted to the general fund. The amount of ₱894.81 was transferred, however, from the item "Consumption of supplies and materials" to the item "Postal, telephone, and telegraph and cable service" to cover deficit incurred in the latter.

Receipts and expenditures.—The following comparative statement shows the income, cost of operation, including depreciation of machinery and other equipment, and net profits of the bureau during the fiscal years 1903, 1913, 1919, 1929, and 1930, together with the per capita of each year's receipts and expenditures:

Year	Receipts	Expenses	Profits	Per capita upon—	
				Receipts	Expenditures
1903.....	₱443,920.20	₱395,446.92	₱48,473.28	₱0.0581	₱0.0517
1913.....	906,002.78	823,104.31	82,898.47	.0973	.0862
1919.....	1,223,884.96	1,177,007.81	46,877.15	.1159	.1115
1929.....	1,195,798.80	904,343.95	291,454.85	.0895	.0677
1930.....	1,163,483.96	876,521.37	286,962.59	.0853	.0643

Status of fiscal affairs.—The following table shows in detail the status of the fiscal affairs of the bureau at the beginning and end of the fiscal year 1930:

Account	Status		Increase	Decrease
	Dec. 31, 1929	Dec. 31, 1930		
Fixed assets:				
Land.....	₱129,612.00	₱129,612.00	-----	-----
Buildings.....	329,572.82	329,572.82	-----	-----
Machinery and other equipment.....	884,551.34	870,376.27	-----	₱14,175.07
Accrued depreciation.....	712,505.52	727,977.83	₱15,672.24	-----
Capital account.....	631,430.57	601,583.26	15,672.24	14,175.07

Account	Status		Increase	Decrease
	Dec. 31, 1929	Dec. 31, 1910		
Current assets:				
Printing paper.....	P261,070.99	P157,707.66	-----	P103,363.33
Other materials.....	129,425.31	128,731.93	-----	693.38
Work in process.....	33,968.03	32,740.24	-----	1,227.79
Sales stock.....	294,471.89	353,762.34	P59,290.45	-----
Prepayment.....	25.37	19.03	-----	6.34
Accounts receivable.....	291,296.56	272,314.84	-----	18,981.72
Cash in insular treasury.....	933,013.78	842,742.54	-----	90,271.24
Cash in hand of officers.....	526.55	280.59	-----	245.96
Total.....	77,770.92	102,814.09	59,290.45	34,247.28
Total of all assets.....	709,201.49	704,397.35	43,618.21	48,422.35
Liabilities:				
Fixed capital.....	631,430.57	601,583.26	-----	29,847.31
Current liabilities:				
Accrued leave.....	46,479.69	50,223.39	3,743.70	-----
Extra compensation.....	28,172.20	29,340.20	1,168.00	-----
All other.....	3,119.03	23,250.50	20,131.47	-----
Total liabilities.....	709,201.49	704,397.35	25,043.17	29,847.31
Reversion of receipts.....	1,202,797.19	1,185,774.41	-----	17,022.78

Documents and supplies.—Public documents and miscellaneous supplies to the value of P57,891.21 were sold during the year.

There was a debit balance for public documents of P240,110.11 and a credit balance for Official Gazette, English and Spanish editions, of P60,448.80. On December 31, 1930, there were 1,298 paid and 135 free subscribers to the Official Gazette and 1,124 paid and 61 free subscribers to the Gaceta Oficial.

Stock forms.—For the purpose of economy and for the convenience of requisitioners, this bureau, in accordance with section 1647 of the Administrative Code, keeps in its sales stock printed copies of various official and accountable forms regularly used by the insular, provincial, and municipal governments. There were printed during the year and delivered into stock blank forms computed at P291,747.65. During the same period issues from stock amounted to P276,395.02.

Census reports.—As a first step toward the disposal of census reports of 1918, as recommended by this office in previous annual reports and approved by the honorable the secretary of finance, and His Excellency the Governor General, a circular letter was sent to 390 private schools recognized by the government, informing them that a set of 1918 census reports may be furnished free of charge, if so desired, upon receipt of remittance in the amount of P2.68 to cover the cost of postage and registry. Inasmuch as there are still 4,667 sets of census reports on hand in this bureau, it is believed that the free distribution thereof should be extended to charitable institutions, professionals, or private individuals by requiring them to pay the nominal sum of P1 to cover handling and wrapping if delivered at this office and P2.68 if sent by mail.

Outstanding obligation.—The outstanding obligations on December 31, 1930, amounted to P146,306.56 which are divided as follows:

Contingent:	
Requisition for printing paper, equipment, and supplies (estimated).....	P43,492.47
Account payable:	
Accrued leave earned.....	P50,223.39
Extra compensation (bonus) earned.....	29,340.20
Unpaid wages.....	209.01
Return transportation (Act No. 80).....	300.00
Freight and printing and binding shipments.....	1,710.15
All other.....	21,031.34
Total accounts payable.....	102,814.09
Total liabilities.....	146,306.56

SPECIAL EXAMINATION FOR HELPERS

As recommended by this bureau in its last annual report, there had been held in the bureau of civil service on June 26, 1930, a special examination for helpers of this office, who have had five or more years service to afford them an opportunity to classify as junior craftsmen. One hundred eleven helpers participated in the said examination but only 72 passed the test. The early approval of the appointments to classified positions of those who were successful in this examination was due to the special and personal attention given by the honorable the Secretary of Finance, to whom this office and particularly the recipients of the promotions owe special recognition and gratitude.

INVESTIGATION BY THE CUSTOMS-PRINTING INVESTIGATING COMMITTEE

The investigation of the charges against this bureau was finished during the year and the report pertaining thereto was submitted to your office for approval.

GOVERNMENT PENSIONADO

Mr. Andres de Ocampo, pensionado of this bureau, has returned to the islands and reported for duty to this bureau on July 5, 1930. The report of his accomplishments was submitted to your office as usual.

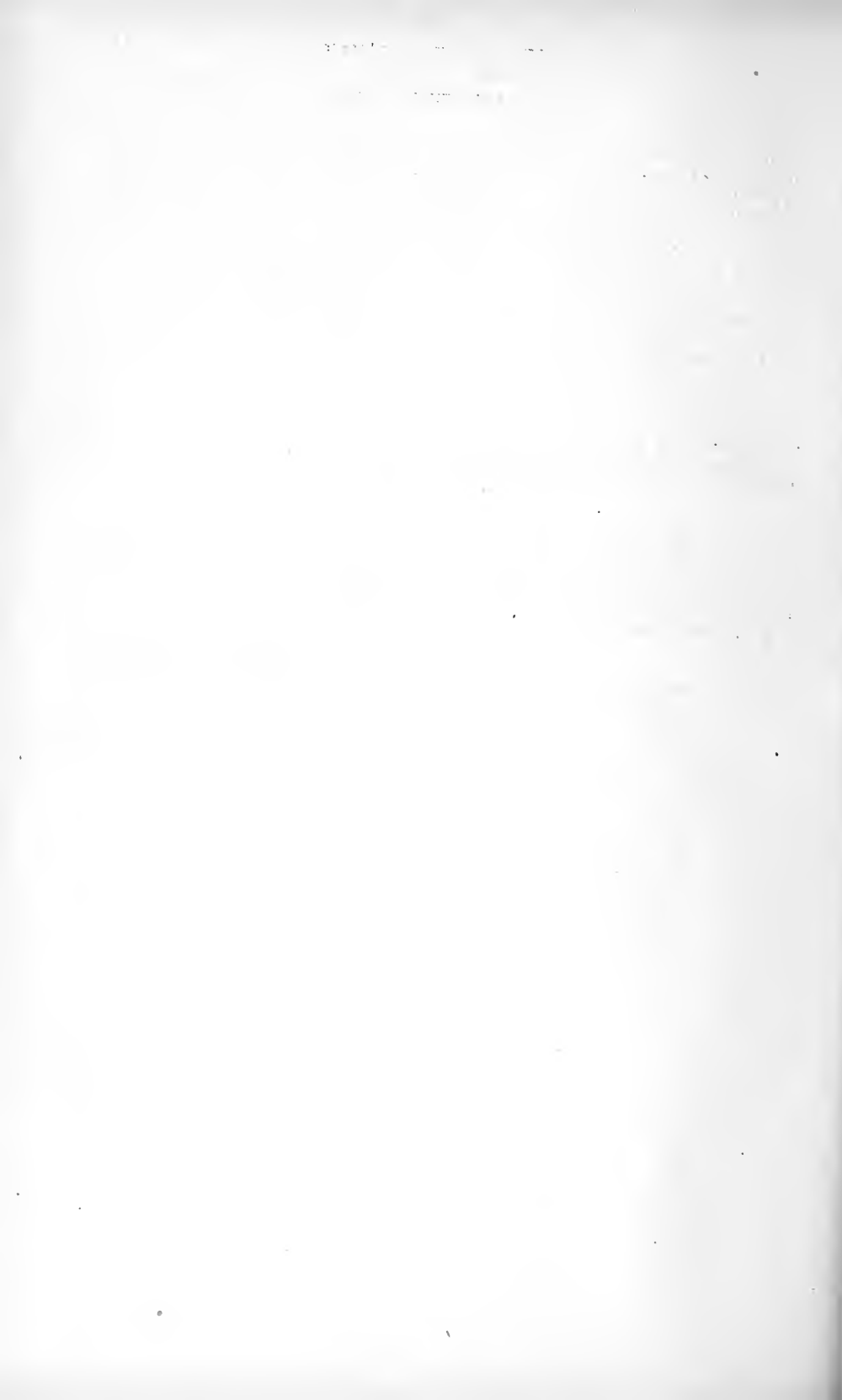
ALTERATION OF DOCUMENTS BODEGA

The alteration of the documents bodega of this bureau was completed during the year at the total cost of ₱15,113.59, according to information given by the bureau of public works. This alteration has partially relieved only the present congestion in the composing division of this bureau.

Respectfully submitted.

MIGUEL UNSON,
Secretary of Finance.

His Excellency the GOVERNOR-GENERAL, MALACALLANG PALACE, Manila.



ANNUAL REPORT OF THE DEPARTMENT OF JUSTICE

DEPARTMENT OF JUSTICE,
Manila, March 31, 1931.

SIR: In compliance with the provisions of section 91 of the Administrative Code, I have the honor to submit the following report, covering the activities of the department of justice during the year ending December 31, 1930.

OFFICE OF THE SECRETARY OF JUSTICE

Personnel.—With the exception of the designation of the under-secretary of justice to act as director of prisons on February 5, 1930, due to the absence of the director and assistant director of prisons, no other changes took place in the personnel of the department of justice during the year covered by this report.

NEW LEGISLATION

A number of bills affecting the department of justice were approved by the Philippine Legislature during the year, the most important of which, sponsored by the department of justice, are as follows:

Places and times of holding court.—Act No. 3728 amends section 161 of the Administrative Code by readjusting the times and places of holding court in some judicial districts, with a view to expediting the administration of justice in said places.

Declaratory judgments.—Act No. 3736 empowers the courts of first instance to make declaratory judgments. The adoption of this measure, it is believed, will forestall litigations and will help improve the administration of justice in this country. This measure has been indorsed by the joint legislative committee of the Philippine and American Bar Associations.

Assignments of provincial capital justices of the peace to hear noncontested cadastral lots.—Act No. 3764 authorizes the judges of first instance, with the previous approval of the department head, to assign justices of the peace of the provincial capitals to hear and determine noncontested cadastral lots. No doubt the new system will help expedite the trial of cadastral cases throughout the islands. This measure has been indorsed by the judges in convention in Baguio in May, 1930, and by the joint legislative committee of the Philippine and American Bar Associations.

Detail of a District Judge to another District.—Act No. 3779 eliminates the time limit established by Section 151 of the Administrative Code, within which a District Judge may be assigned by the Secretary of Justice to another district or province. The Department of Justice has deemed it advisable to eliminate this time limit, as it has been a hindrance to a speedy and just administration of justice.

Revised Penal Code.—Act No. 3815 revises the Penal Code and other penal laws. This Revised Penal Code is the product of a conscientious study made by a special committee created under administrative order No. 94, series of 1927, of the department of justice, whose duty it was to revise the penal code in order to bring its provisions in harmony with present-day conditions. Pursuant to the provisions of said order, the committee submitted its report together with a draft of the Revised Penal Code, which was submitted by this department to the legislature during the last session. The measure had been indorsed by the judges in a convention held in Baguio in May, 1930, and also by the joint legislative committee of the Philippine and American Bar Associations.

Enlargement of the supreme court.—Act No. 3816 provides for an enlarged membership of the supreme court. The increase in the number of justices of the supreme court was deemed necessary to relieve the congestion of cases in that court. The measure had also been indorsed by the joint legislative committee of the Philippine and American Bar Associations.

CONVENTION OF JUDGES IN BAGUIO

With a view to discussing measures calculated to improve the administration of justice in the Philippine Islands, a convention of judges of first instance was held in Baguio from May 5 to 11, 1930, under the auspices of the department of justice. Various important resolutions were adopted, some recommending the passage of new legislation or the amendment of some statutes, while others recommend the adoption of administrative measures. Some of these resolutions were submitted to the legislature and have been enacted into laws and some, requiring legislation or administrative action by the department of justice, are still under study and consideration.

ADMINISTRATION OF JUSTICE

SUPREME COURT

Personnel.—There have been no changes in the personnel of the supreme court during the year covered by this report.

Business transacted.—During the year 1930, there were 2,062 civil and criminal cases filed which, added to the 1,003 civil and criminal cases pending at the close of business on December 31, 1929, give a total of 3,065 cases pending and filed during the year 1930. During the same period, the court disposed of 1,780 civil cases. There were pending decision 138 cases, besides 1,147 cases awaiting trial at the close of the year 1930.

Out of the 321 applicants admitted to the bar examination, only 305 actually took it, 141 having passed and 164 failed.

The supreme court appointed during the year 281 notaries public.

Collections.—The supreme court collected as filing fees, fines, court costs, and bar examination fees ₱43,432.62.

Administrative charges and disbarment proceedings.—During the year covered by this report, complaints against three judges of first instance and one associate public service commissioner were received. The complaints against two of these judges have already been disposed of, and the complaints against the other two are still pending. There were also received 39 complaints against practicing attorneys, of which 14 have been disposed of, 20 are still pending investigation, report and recommendation, and the remaining 5 are still subject to further proceedings.

Legislation.—Act No. 3816 was passed by the Philippine Legislature and approved by his excellency, the Governor General, in December, 1930, increasing the number of justices of the supreme court from 9 to 15.

COURTS OF FIRST INSTANCE

The following transfers, promotions, new appointments, resignations, and retirements took place during the year covered by this report.

Judge Felix Samson was promoted from judge of the second judicial district, at ₱8,000 per annum, to judge of the first judicial district at ₱9,000 per annum, December 12, 1930.

Judge Sixto de la Costa was promoted from auxiliary judge of first instance, at ₱8,000 per annum, to judge of the second judicial district, at the same salary, November 15, 1930.

Judge Ysidro Paredes was transferred from the twelfth judicial district, at ₱10,000 per annum, to the first branch, fifth judicial district, at the same salary, December 8, 1930.

Judge E. V. Filamor was transferred from the thirteenth judicial district, at ₱10,000 per annum, to the sixth judicial district, to preside over the second branch of the court of the first instance of Nueva Ecija, at the same salary, December 23, 1930.

Judge Alfonso M. Recto was transferred from the fifteenth judicial district, at ₱10,000 per annum, to the sixth judicial district, to preside over the court of first instance of Tarlac, at the same salary, November 19, 1930.

Judge James Vickers was transferred from the twentieth judicial district, at ₱10,000 per annum, to the third branch, ninth judicial district, at the same salary, November 17, 1930.

Judge Cayetano Lukban was transferred from the sixth judicial district, at ₱10,000 per annum, to the second branch, eleventh judicial district, at the same salary, November 10, 1930.

Judge Francisco Zanduetta was transferred from the fifth judicial district, second branch, at ₱10,000 per annum, to the twelfth judicial district, at the same salary, December 12, 1930.

Judge Pedro M. Sison was promoted from auxiliary judge of first instance, at ₱8,000 per annum, to judge of the thirteenth judicial district, at ₱10,000 per annum, December 23, 1930.

Judge Ceferino M. Villareal was transferred from the fifth judicial district, first branch, at ₱10,000 per annum, to the fifteenth judicial district, to preside over the court of first instance of Camarines Sur and Camarines Norte, at the same salary, November 24, 1930.

Judge Jose M. Hontiveros was promoted from auxiliary judge of first instance, at ₱8,000 per annum, to judge of the second branch, nineteenth judicial district, at ₱10,000 per annum, November 15, 1930.

Judge Guillermo F. Pablo was promoted from auxiliary judge of first instance, at ₱8,000 per annum, to judge of the first branch, twentieth judicial district, at ₱10,000 per annum, December 22, 1930.

Judge Gervasio Diaz was promoted from judge of the twenty-fourth judicial district at ₱8,000 per annum, to judge of the second branch of the twenty-second judicial district at ₱10,000 per annum, December 23, 1930.

Judge Conrado Barrios was promoted from auxiliary judge of first instance at ₱8,000 per annum, to judge of the twenty-fourth judicial district, at the same salary, November 15, 1930.

Judge Geronimo Paredes was promoted from auxiliary judge of first instance, at ₱8,000 per annum, to judge of the twenty-ninth judicial district, at the same salary, November 15, 1930.

Judge Teopisto Guingona was appointed auxiliary judge of first instance, at ₱8,000 per annum, November 11, 1930.

Judge Mamerto Roxas was appointed auxiliary judge of first instance, at ₱8,000 per annum, November 15, 1930.

Judge Diego Locsin was appointed auxiliary judge of first instance, at ₱8,000 per annum, December 27, 1930.

Judge Edmund Block, of the third branch of the ninth judicial district, tendered his resignation and actually severed his connection with the judiciary on April 24, 1930.

Judge Catalino Sevilla, of the first judicial district, was retired from the service for having reached the age limit fixed by section 148 of the Administrative Code, and actually severed his connection with the judiciary on December 6, 1930.

Judge Fermin Mariano, of the third judicial district, was retired from the service for having reached the age limit fixed by section 148 of the Administrative Code, and actually severed his connection with the judiciary on December 6, 1930.

Business transacted.—There were filed during the year 26,821 civil and criminal cases which added to the 23,215 civil and criminal cases pending at the beginning of the year, give a total of 50,036 civil and criminal cases pending and filed during the year 1930, while the number of cases disposed of during the same period was 27,361 civil and criminal cases. At the end of the year, there were left pending 22,675 civil and criminal cases.

The following is a comparative statement of the activities of the courts of first instance during the years 1930 and 1929:

Year	Pending beginning of the year	Filed during the year	Disposed of during the year	Pending at end of the year
1930.....	23,215	26,821	27,361	22,675
1929.....	22,853	25,233	24,909	23,179
Difference.....	1,362	1,588	1,242	2,504

¹ Increase.

² Decrease.

As can be seen, the work of the courts of first instance during the year under review has been very satisfactory; 2,452 more civil and criminal cases were disposed of by the courts over the preceding year. In spite of the fact that more cases were filed during the year 1930 than in the preceding year, the

number of pending cases at the end of 1930 was much lower than the number of cases pending at the end of 1929. This increase in the number of cases disposed of may be traced to the closer supervision being made by this department of the work of the courts of first instance and to the systematic method followed in the assignment of judges to different places. During the year covered by this report about 153 orders were issued by the department of justice assigning various judges to different parts of the islands other than those designated by law for holding court, in order to facilitate the speedy trial of cases. Auxiliary judges were detailed to districts where there were congestions of cases, in order to help the district judges in the dispatch of pending cases. And even district judges were detailed to Provinces other than their own in the interest of the speedy administration of justice when the services of auxiliary judges were not available. This is in accordance with the purpose of Act 3564, authorizing the secretary of justice to detail a district judge to another district to try all kinds of cases.

Progress has also been noticed in the work of the courts in cadastral cases. During the year 1930 there were tried by the courts of first instance throughout the islands 58,392 noncontested and 7,529 contested cadastral lots, as against 25,272 noncontested and 6,521 contested cadastral lots tried during the previous year. This large increase in the number of lots tried were due to the concerted efforts put forth by this department and the judges of first instance. About 25 judges were assigned by this department to hear and decide cadastral cases in different parts of the islands, such as Occidental Negros, Cagayan, Batangas, Zambales, Nueva Ecija, Ilocos Sur, Oriental Misamis, Rizal, Mindoro, Cebu, Zamboanga, Tayabas, Iloilo, Sorsogon, Davao, Albay, Leyte, Bulacan, Pangasinan, Capiz, Laguna, and Marinduque.

Collections.—During the year 1930 there was realized by the courts of the first instance from fines, fees, and court costs the amount of ₱426,642.52 as against ₱365,139.93 during the previous year, or an increase of ₱61,502.59. This increase in collections may be attributed to the increase in the number of cases filed and disposed of during the year covered by this report.

JUSTICES OF THE PEACE COURTS

There were 91 justices of the peace and auxiliary justices of the peace appointed during the year 1930 as compared with 176 appointed during the previous year. During the same period five justices of the peace were removed and five justices of the peace were required to resign.

Business transacted.—A supplementary report will be submitted to the Governor General, covering the activities of the justices of the peace throughout the islands, when complete data are received from all of them.

BUREAU OF JUSTICE

Personnel.—With the exception of the promotion to the bench of Assistant Attorney Diego Locsin as auxiliary judge of first instance, on December 15, 1930, and the appointment of Messrs. Alfonso Donesa and Mario Villanueva on January 2 and 16, 1931, respectively, as special attorneys, no changes have taken place in the personnel of the bureau of justice.

Special assignments.—Under the provisions of Executive Order No. 263, dated September 5, 1930, the attorney general was appointed chairman of a committee known as game law committee, which was created with a view to studying ways and means whereby game and insect birds can be protected and preserved. As a first step taken by the committee, a bill entitled "An act for the protection of game and fish" was submitted to, and passed by, the Legislature and was approved by the Governor General on November 21, 1930.

Solicitor General Alex. Reyes was designated by the supreme court to investigate the charges preferred by Attorney Jose Y. Torres against Judge Leonardo Garduño of the seventeenth judicial district, and proceeded to Capiz in April and July, 1930.

Assistant Attorney Emilio Peña was, on March 6, 1930, sent to Dumaguete, Oriental Negros, to conduct an investigation of the charges preferred by one Josefa Dionglay against Provincial Fiscal Alfredo Cacio. He was also designated, on March 24, 1930, by administrative order No. 53 of the department of justice, to act as judge of the second branch of the municipal court of Manila during the absence on leave of the presiding judge.

On February 18, 1930, Assistant Attorney Salvador Abad Santos was sent to Lucena, Tayabas, to investigate charges of malpractice preferred against Attorney Pedro Insua.

On June 14, 1930, Assistant Attorney Catalino Buenaventura, brought action in connection with the Imus River Naval Reservation, and on January 18, 1930, he was authorized to represent the metropolitan water district in Civil Case No. 1030 of the court of first instances of Rizal.

Assistant Attorney Felipe Natividad continued throughout the year in his assignment with the department of finance. He was, however, instructed to proceed to Laoag, Ilocos Norte, on November 29, 1930, to investigate the charges preferred by the Women's Club against Provincial Fiscal Sergio Aquino for alleged immoral conduct.

On April 24, 1930, Assistant Attorney Felix Bautista Angelo was designated to conduct a thorough investigation of the alleged alteration of checks kept in the office of the provincial fiscal of Cavite, so as to use them as evidence in the prosecution of Carlos Viniegra for estafa through falsification of public document.

Assistant Attorney Arsenio Paez continued in his assignment in the department of commerce and communications. He was, however, designated on November 13, 1930, as chairman of the committee created by the secretary of the interior to investigate the charges against provincial Governor Ramon Felipe of Camarines Sur for dishonesty and misconduct in office.

Assistant Attorney Marcial Lichauco was designated secretary of the legislative committee that was sent to the United States pursuant to Resolution No. 29 of the Eighth Philippine Legislature.

Finally, Assistant Attorney Pompeyo Diaz was assigned until June 19, 1930, to perform the duties of the provincial fiscal of Batangas during the absence of the regular incumbent.

Business transacted.—As law officer of the insular government and its officers, the attorney general rendered 310 opinions to different entities and functionaries of the government, namely, the Governor General, the secretaries of the various departments, the chiefs of bureaus and offices, and the provincial fiscals. He also rendered verbal opinions to the Governor General, to the secretaries of the various departments and to other officers.

During the year covered by this report, a total of 128,523 official communications and 21 circulars and circular letters were sent out by the bureau to different officials, employees, and other officers. The bureau also passed upon the legal sufficiency of many contracts of the savings banks which, on account of their importance, had been referred to said bureau for revision, among them being a contract with the Club Filipino, involving ₱60,000; one with J. Machuca y Compañia, involving ₱48,000; one with Manila Finance and Discount Corporation, involving ₱60,000; and one with the United Brethren Christians, involving ₱12,000, or an aggregate amount of ₱180,000. The bureau likewise passed upon the legal sufficiency of form of conveyancing to be used by the bureau of education in the acquisition of lands for school purposes, and also upon the legal sufficiency of a deed of conveyance executed by Angel Salazar and Gregorio F. Esclavilla upon a parcel of land to be used by the Antique High School. The bureau also prepared the deed of conveyance executed by the Municipality of Zamboanga in favor of the insular government upon a parcel of land needed for hospital purposes; revised and passed upon the draft of a deed of mortgage executed in favor of the insular government on the Hacienda Luisita by the Compañia General de Tabacos de Filipinas; and, upon the request of the director of posts and the department of commerce and communications, revised the draft of the supplemental contract for the handling of certain telegraphic traffic from May 10 to September 16, 1930, between the director of posts and the Radio Corporation of the Philippines.

The office of the attorney general also handled during the year 122 ordinary cases in the court of first instance and 10 in the municipal court of the city of Manila. During the same period 82 ordinary civil cases were handled by representatives of the bureau of justice in the courts of first instance of different provinces. The bureau of justice also handled in various courts of first instance 14 cases of foreclosure of mortgage for the Postal Savings Bank and the bureau of lands involving an aggregate amount of ₱157,578.50; 4,099 ordinary land registration cases and 263 cadastral cases; filed 398 oppositions for the director of lands; examined 3,701 oppositions and interposed 137 claims in 263 cadastral cases for the director of lands. The office also intervened in

61 citizenship cases, including those which were pending at the end of 1929. In 32 of these cases the petitions were granted, 2 cases were dismissed, and 20 were pending decision at the end of the year 1930.

Likewise, the bureau of justice intervened in 7 applications for a writ of injunction in representation of the secretary of finance and the bank commissioner, the Philippine Postal Savings Bank the secretary of the interior, the secretary of agriculture and natural resources, and the bureau of commerce and industry, 6 of which cases were pending decision at the end of the year and 1 was decided in favor of the respondent, the department of agriculture and natural resources. The bureau also intervened in one case of quo warranto representing the government of the Philippine Islands, and in three mandamus proceedings on behalf of the secretary of the interior, the director of agriculture, and the provincial government of Rizal. The case of quo warranto is still pending decision, and of the mandamus proceedings one is pending decision and two were decided in favor of the secretary of the interior and the provincial government of Rizal, respectively. The bureau also intervened in 3 certiorari proceedings, 1 prohibition proceeding, 4 habeas corpus proceedings, 1 condemnation proceeding, 2 cases of contempt of court, 17 ordinary civil cases, and 10 criminal cases.

During the year covered by this report, the bureau filed in the supreme court 576 printed briefs, 299 memoranda, and 1,479 motions. During the same period, the bureau also filed 249 memoranda and motions in the court of first instance of Manila and in other courts of first instance.

Three administrative investigations were conducted by the bureau against provincial fiscals. In one case, the provincial fiscal concerned was reprimanded, and the other two were pending report and final decision. The bureau also handled 57 cases of malpractice, including those that were pending at the end of the preceding year. These cases, added to 36 new ones against practicing attorneys for malpractice, give a total of 93 cases of malpractice handled by the office of the attorney general. The bureau also intervened in three impeachment proceedings against two judges of the court of first instance and one associate public service commissioner, two of which are pending report by the office and one was decided in favor of the respondent judge. The bureau also intervened in seven extradition proceedings and in several collection cases for different bureaus, offices, and other branches of the government, involving an aggregate amount of ₱196,902.48. The bureau also examined and approved 49 bail bonds, involving an aggregate amount of ₱275,250, for the provisional liberty of 48 appellants in 43 separate cases appealed to the supreme court. The office also intervened in 54 sales at public auction, including those pending execution at the end of the year 1929, wherein the sheriff sold properties of the bondsmen due to the disappearance of the accused, or properties of the accused themselves due to their inability to pay the court fees and the fines imposed by the courts. In the cases wherein these sales were conducted there had been adjudicated to the government of the Philippine Islands an aggregate amount of ₱23,036.

Inspection.—The attorney general made inspection trips in the month of May, 1930, to various offices of provincial fiscals and clerks of court.

Income.—The income of the bureau in 1930 amounted to ₱9,946.37, or ₱5,220.72 more than that of the previous year. The increase is largely due to the proceeds of the sales of notarial registers and notarial forms and to the adjustments of the amounts charged to accounts payable during the previous years, but had remained expended for the purpose for which they were intended.

Administration of the estates of deceased Americans.—During the year 1930 the attorney general administered the estates of 152 deceased Americans. Of these, the administration of the estates of 74 deceased Americans was closed and the administration of 78 estates was in the process of settlement at the close of the fiscal year 1930. On December 31, 1929, there remained a balance of ₱11,979.35, which, added to ₱16,138.15 received during the year 1930, give a total amount of ₱28,117.50.

Provincial fiscals.—With the exception of the promotion of Mr. Jose Evangelista, provincial fiscal of Antique, to a similar position in the Province of Zamboanga on May 15, 1930, no changes have taken place in the force of provincial fiscals. Provincial Fiscal Alfredo Cacnio, whose ad interim appointment was not acted upon by the senate, has not been reappointed, and has therefore ceased to be a provincial fiscal. The position of provincial

fiscal of Batanes remained vacant during the year, and that of fiscal of the Province of Antique remained vacant from the time Provincial Fiscal Jose Evangelista was promoted to Zamboanga.

Pursuant to the provisions of section 1648 of the Administrative Code, some provincial fiscals were designated from time to time to act in provinces other than their own, either to discharge the duties of provincial fiscal or to aid in the investigation and prosecution of important cases. Those fiscals were Sergio Aquino of Ilocos Norte, Jose Carlos of Mountain Province, Recardo Chango of Cagayan, Abondio David of Masbate, Teodoro Favis of Romblon, Francisco Jose of Isabela, Segundo Martinez of Laguna, Agustin Moreno of Oriental Misamis, Alejandro Panlillo of Zambales, Pablo Rivera of Occidental Negros, and Pablo Villalobos of Capiz.

Office of the city fiscal of Manila.—There were no changes in the personnel of the office of the city fiscal of Manila during the year 1930.

During the year covered by this report, the office of the city fiscal of Manila handled 23,453 criminal cases and filed complaints in 19,282 such cases. The office also dropped, after investigation, 4,171 complaints. During the same period there were filed by the central office 2,753 cases in the municipal court and 1,549 in the court of first instance, including those appealed from the municipal court.

GENERAL LAND REGISTRATION OFFICE

Personnel.—There have been no changes in the personnel of the central office during the year covered by this report. During the same period five registers of deeds were appointed, namely: Raymundo Villacete for Cagayan, Pedro L. Navarro for Marinduque, Blas C. Orteza for Masbate, Marcelino M. Amigo for Oriental Negros, and Ricardo D. Garcia for Surigao. Antonio Ochoa Rodriguez resigned as register of deeds for Cagayan, and Emeterio Soliven, register of deeds for Abra, died.

Business transacted.—During the year covered by this report the general land registration office dispatched 138,136 mail matters as against 126,080 dispatched during the preceding year. There were also forwarded to the registers of deeds and the clerks of court 1,233 packages containing decrees, certificates of title and land registration records, as against 588 packages in the preceding year. There were also issued by the central office 45,975 decrees as against 23,143 in the preceding year, 4,731 of which were issued in ordinary land registration cases and 41,244 in cadastral cases. Said decrees comprised 53,314 lots, containing an area of 118,790.0648 hectares, and relate to 3,999 cases. The decrees in ordinary cases comprised 7,844 lots and those in cadastral cases, 45,470 lots. The general office also issued and published in the Official Gazette, pursuant to sections 31 and 32 of Act No. 496 and to sections 7 and 8 of Act No. 2259, 4,749 notices involving 102,404 parties as against 3,354 involving 92,641 parties in the previous year. The office also prepared and submitted to the courts 4,589 certificates of the publication of said notices in the Official Gazette, and examined for publication of notices 105 cadastral cases and 5,360 ordinary cases. There were also examined during the year, for the issuance of decrees, a total of 3,999 cases. The office also computed the tie-lines of 5,901 lots in 5,101 plans filed in 4,180 cases. The office also prepared 317 municipal index plans and made 2,062 blue prints, mostly at the request of private concerns upon payment of corresponding fees. The office also issued 476 orders to registers of deeds for the cancellation of old certificates of title and the issuance of new titles in lieu thereof, and prepared and forwarded to registers of deeds 46,475 original certificates of title with the corresponding owners' duplicate. There were also received and indexed 4,372 duplicate records of land registration cases filed in the provinces.

Ordinary land registration cases.—During the year covered by this report, the courts of first instance disposed of 3,730 cases as against 3,264 in the preceding year. In 3,477 of these cases, the applications were granted, in 15 they were denied, and 238 cases were dismissed. Out of 96 cases appealed to the supreme court, in 83 the decisions of the lower courts were in favor of the applicants, and in the remainder the applications had been denied or dismissed. The supreme court disposed of 31 land registration cases during the same period, affirming the decisions of the lower courts in 8 cases and reversing the

decision in 1 case. The following table will show the status of the ordinary land registration cases on December 31, 1930:

Status on Dec. 31, 1930	Number of applications			
	Granted	Denied	Dismissed	Total
Final disposition.....	3,338	10	234	3,582
Decided, but subject to appeal.....	106	1	2	109
On appeal to supreme court.....	33	4	2	39
Total cases decided by the lower court during the year.....	3,477	15	238	3,730
Previously decided, but subject to appeal.....	14	2	2	18
Previous appeals pending.....	31	3	6	40
Prior final disposition made.....	31,168	590	2,035	33,793
Total business transacted.....	34,690	610	2,281	37,581
Pending on the docket.....				3,298
Total cases filed up to Dec. 31, 1930.....				40,879

Cadastral cases.—During the year covered by this report, there were 135 cadastral cases filed comprising 91,438 lots as against 67 cases with 42,436 lots in the preceding year. At present, there is a total of 1,227 cases involving 774,762 lots. The following table will show the status of cadastral cases:

Number of lots heard during the year 1930:	
Uncontested.....	57,218
Contested.....	7,599
	65,928
Number of lots decided in the same period:	
Uncontested.....	57,218
Contested.....	6,845
	64,063
Lots pending decision on December 31, 1930:	
Uncontested.....	7,644
Contested.....	809
	8,453
Lots pending hearing on the same date:	
Uncontested.....	145,479
Contested.....	24,863
	170,342
Lots pending other action on same date:	
Uncontested.....	24,749
Contested.....	308
	25,057
Total of lots pending in the court:	
Uncontested.....	177,872
Contested.....	25,980
	203,852

Registration of deeds.—The following is a comparative résumé of the work accomplished by the registers of deeds during the years 1929 and 1930:

Work accomplished	1929	1930
Certificates of title issued:		
Pursuant to decrees.....	23,499	28,878
Pursuant to patents.....	1,576	2,467
Pursuant to deeds of transfer.....	17,538	17,761
Instruments recorded under Act 496:		
Deeds of sale.....	13,810	13,409
Deeds of mortgage.....	7,075	8,109
Other instruments.....	13,325	15,455
Instruments recorded under the Spanish mortgage law:		
Deeds of sale.....	500	194
Deeds of mortgage.....	38	75
Other instruments.....	235	222
Instruments recorded under Act 3344:		
Deeds of sale.....	10,765	9,748
Deeds of mortgage.....	2,127	1,980
Other instruments.....	3,094	3,053
Number of instruments recorded under the chattel mortgage law.....	16,392	15,546
Number of professional certificates recorded.....	44	203
Number of certificates of apportionment of water according to priority recorded.....	1,861	1,752
Number of certificates of water right recorded.....	5	24

On December 31, 1930, there were 72,099 duplicates of original certificates of title and 1,680 duplicates of transfer certificates pending delivery to the owners as against 62,205 and 1,152, respectively, in the preceding year. The original certificates of title thus pending were issued in cadastral cases, and most of them are in the hands of municipal treasurers to whom they had been forwarded for delivery to their respective owners pursuant to the provisions of Section 17 of Act No. 2259, as amended by Act No. 3081. In connection with the nondelivery of these certificates of title, the chief of the general land registration office has the following to say:

"This problem of undelivered certificates of title is becoming serious in view of the seeming apathy of the land owners, especially of the poor people, in paying the fees. This is so because there is no provision of law under which a person may be required to secure his title either from the office of the register of deeds or the municipal treasurer. There seems to be an inconsistency in the purposes of the cadastral act, for while the registration of lands under said act is reputed compulsory, in that one can not refuse nor prevent one's land being surveyed and registered, yet once the title is issued he is at liberty to take it or not as the case may suit him. For this reason and with a view to remedying the situation, this office drafted a bill which was submitted to the department of justice in the year 1929. * * * It should also be borne in mind that the failure of the land owners to get their duplicate certificates of title is very detrimental to the interest of the government, in that a considerable amount of money due on account of the issuance of such certificates of title, for the general fund as well as for the assurance fund, can not be collected or at least the collection thereof is greatly delayed. The fees for each cadastral certificate of title are ₱6, when the assessed value of the land exceeds ₱500, and when it does not exceed that sum, the fees vary from ₱2 down to ₱0.50, while the premium for the assurance fund is one-tenth of 1 per cent of the assessed value of the property.

"Considering that the average fee and premium on each certificate of title is ₱4 and ₱3 only, which is quite reasonable, there would be not less than ₱280,000 as income and ₱210,000 for assurance fund, which the government is deprived of the use thereof, only because there is no adequate means for the enforcement of the collection of such fees and premiums."

PUBLIC SERVICE COMMISSION

Personnel.—Judge Mariano Cui, the senior public service commissioner, retired after 20 years of service in the judiciary. Mr. Irineo J. Reyes resigned as auditor of the commission and was replaced by Mr. Tomas Canchela, one of the inspectors and accountants of the commission. Mr. Mario Villanueva, deputy secretary of the commission, was transferred to the office of the attorney general, his position having been filled by Mr. Hector Aragon.

Special Assignments.—During the year covered by this report, the commission has sent inspectors and technical men to the field in order to inspect electric plants, telephone systems, and autotruck and automobile lines. Some of these inspectors were sent in answer to complaints of private citizens against operators for alleged inadequate and inefficient service, and some were sent to give protection to operators whose lines had been invaded by unauthorized operators.

Conferences.—The old practice of the commission of holding conference among themselves in order to exchange views on cases affecting the commission was continued. Great benefits are derived from these conferences, as greater uniformity in the policy of the commission results therefrom. One of the most important conferences concerning the functions of the commission was that which took place in Malacanán in March, 1930, wherein the chief of the Philippine constabulary, the director of public works, the public service commissioners and attorneys or representatives of various transportation companies were present. The purpose of this conference was to devise means to effectively enforce the regulations of the commission and the bureau of public works. In that conference, it was agreed that the constabulary officials should give effective cooperation in the enforcement of the commission's rules and regulations and of the provisions of the motor vehicle law, and to this effect, 3 officials, namely, Colonel Paulino Santos of the Philippine constabulary, Dr. Roberto Regala of the public service commission, and Mr. Salustiano Reyes, superintendent of the automobile division of the bureau of public works, were appointed to study and frame a plan of cooperation and joint regulations. This cooperation plan, as submitted by the said committee, was later approved by the chiefs of the three offices and by the department secretaries concerned.

Legislation.—About seven bills were introduced in the Philippine Legislature affecting the functions of the public service commission and upon which the commission commented upon request. One of the most important bills submitted to the legislature was that sponsored by the commission, requiring the annual payment of certificate fees. This bill was introduced to cure some defects in the present law. The bill, however, was not passed by the legislature. Besides the above mentioned bills, the commission was also called upon to comment on 28 franchise bills.

Business transacted.—During the year covered by this report, there were registered in the commission 4,068 cases, 527 more over the preceding year. The increase was due to many applications having been filed on account of the opening of new roads and to the considerable increase in the number of electric plants installed during the same year. The 4,068 cases docketed in the commission during the year 1930 are classified as follows: 531 applications for certificate of public convenience or public necessity and convenience; 41 applications for conversion of irregular service into a regular service; 227 applications for sale and transfer of business; 216 applications for extension of lines or service; 179 applications for increase or reduction of rates; 637 applications for special permits; 464 applications for substitution of equipment; 490 for increase of equipment or capacity; 9 for approval of mortgage or other contracts; 2 for issuance of order to show cause; 1,246 complaints against public utilities; and 26 other miscellaneous petitions.

The following is a comparative statement of the number of cases handled by the commission during the last 10 years:

1921	518
1922	488
1923	1,144
1924	1,862
1925	2,493
1926	2,482
1927	2,945
1928	4,265
1929	3,541
1930	4,068

Rate cases.—One of the most difficult tasks of the commission is deciding applications for increase or reduction of rates. As a result of the prevalent economic depression throughout the islands in 1930, this difficulty has increased. The Manila Railroad was the first to reduce its rates and the autotruck operators whose lines run parallel to the railroad followed. The most important of these transportation companies were the Pampanga Bus Co., the Laguna-Tayabas Bus Co., the Leyte Transportation Co., the Rural Transit Co., and the Matias Fernando Co.

Income and expenditure.—The total expenses of the commission during the year 1930 were ₱122,481.12, while its total income was ₱102,121.27. From these figures, it will be seen that the net cost of the maintenance of the commission in 1930 was ₱20,359.85. From an examination of the 22 items which constitute the sources of income of the commission, it can be seen that certificate fees give the largest amount. In discussing this matter, the acting public service commissioner has the following to say:

"A review of the above items will show that to certificate fees correspond the greatest source of income of the commission. Therefore, if the proposed measure submitted to the department by this office for the last three years, re annual payment of certificate fees will be acted upon favorably by the legislature there will be a considerable income to the commission. This measure is very urgent at the present time in view of the financial situation of the government. The proposed measure will not work hardship on the part of the operators concerned, because the charge is comparatively small. And furthermore, in most of the States of the Union, they have a similar law requiring the operators to pay annually the certificate fees of all their authorized equipments."

"* * * And it is earnestly hoped that our repeated request for the last three years to increase our inspection force be given favorable consideration. As we have already indicated in our previous report, the government will eventually be benefited rather than lose in giving additional inspectors to the commission, because these inspectors will be able to detect violations committed by public-service operators, thus increasing the revenues derived from fines. While it is true, as indicated above, that the constabulary is giving us aid in the enforcement of our law, yet the constabulary has its own manifold problems to solve. * * *"

BUREAU OF PRISONS

Personnel.—On December 18, 1930, Director Ramon Victorio tendered his resignation, and on December 22, 1930, Col. Paulino Santos, of the Philippine Constabulary, was appointed director of prisons. Aside from the director and the assistant director of prisons, the office force of the bureau was composed of 397 employees distributed as follows: Administrative division, 23; guard division, 105; sanitary division, 11; Iwahig Penal Colony, 20; San Ramon Prison and Penal Farm, 87; and industrial shops, Bilibid Prison, 34.

Special assignment.—Mr. Ramon P. Mitra, superintendent of the Iwahig Penal Colony, was detailed to the central office in view of administrative charges having been filed against him, and Mr. Valentin Macasaet, superintendent of the San Ramon Prison and Penal Farm, took charge of the Iwahig Penal Colony and remained there up to July 15, 1930, when he was relieved by Asst. Supt. Eriberto B. Misa. Asst. Supt. Pablo J. Noroña of the San Ramon Penal Farm was in charge of the San Ramon Prison and Penal Farm up to May 22, 1930, when he was relieved by Supt. Ramon P. Mitra of the Iwahig Penal Colony. Supt. Ramon P. Mitra was again relieved in San Ramon by Supt. Pablo J. Noroña who remained in that assignment up to November 15, 1930, when Supt. Valentin Macasaet resumed his duties as superintendent.

Messrs. Pablo Katly and Rufino G. Bondad, of the central office, were designated acting superintendent and special disbursing officer, respectively, of the Bontoc Penal Colony, which was reestablished on September 2, 1930.

Dr. Santiazo U. Estrada, chief of the sanitation division of the bureau of prisons, who was sent to the United States as pensionado of the department of justice to specialize in thoracic surgery and thoracic diseases, returned to the islands on September 22, 1930, and resumed his duties as chief of the division on October 2, of the same year. During his absence, his assistant, Dr. Mariano Dimanlig, took charge of the division.

Prison population.—The prison population of the Phillippine Islands on December 31, 1930 was distributed as follows:

Bilibid Prison	3, 639
San Ramon Prison and Penal Farm	918
Members of trustees' families	(186)
Iwahig Penal Colony	1, 888
Free colonist	(1)
Members of colonists' families	(223)
Bontoc Penal Colony	65
Working in Corregidor	737
Philippine constabulary stations	96
San Lazaro Insane Asylum	19
Police stations, Manila	60
Insular prisoners working in provincial jails	8
Maternity and children's hospital	2
Confined in provincial jails	1, 139
Total	8, 561

This number shows a decrease of 153 prisoners, as compared with the total number of prisoners in 1929, which was 8,714. There were 7,422 prisoners confined in insular prisons on December 31, 1930, or an increase of 31 prisoners over the total number of prisoners confined in the said prisons on December 31, 1929, while the number of prisoners in the provincial prisons on December 31, 1930, was 1,139. The following is a comparative statement showing the number of prisoners in confinement on December 31, for the past six years:

	1925	1926	1927	1928	1929	1930
Bilibid prison	2, 740	2, 774	3, 210	3, 804	3, 801	3, 629
Iwahig penal colony	1, 360	1, 553	1, 716	1, 686	1, 746	1, 888
San Ramon prison and penal farm	707	807	978	943	992	918
Bontoc penal colony						65
Fort Mills stockade	526	592	600	608	662	737
Police stations, Manila	57	60	59	60	57	60
Philippine constabulary station	79	87	91	101	103	96
San Lazaro Insane Asylum	28	32	34	38	21	19
Insular prisoners working in provincial jails		26	55	3	9	8
Maternity and children's hospital						2
Confined in provincial jails	1, 236	1, 296	1, 361	1, 267	1, 323	1, 139
Total	6, 733	7, 227	8, 104	8, 510	8, 714	8, 561

The crimes for which the largest number of commitments were made during the year covered by this report were embezzlement, homicide, murder, physical injuries, robbery, and theft. The following shows the number of prisoners committed to Bilibid Prison and San Ramon Penal Farm during the past six years:

	1925	1926	1927	1928	1929	1930
Bilibid.....	5,087	5,049	5,047	4,546	4,521	4,917
San Ramon.....	230	235	311	289	274	181

A comparison of the crimes against person with those against property committed during the year shows that more were convicted of crimes against property than of crimes against person. Eighteen cases of violation of conditional pardon were recorded during the period covered by this report.

Executions.—During the year covered by this report, one Moro prisoner by the name of Manzuri was electrocuted, pursuant to the provisions of Act No. 3104. He had been convicted of murder with assault upon a person in authority by the court of first instance of Sulu.

Discipline and order.—In spite of the insufficient number of guards, and the investigation of charges against several high officials and employees of the bureau of prisons, which in some way impaired prison discipline, only two cases of serious nature took place. In the first case, prisoners Emiliano Abad and Santiago Rubi alias Santiago Lucero, while thumping the ground at the main gate of Bilibid Prison on September 6, 1930, tried to escape. The two prisoners were pursued by the prison guard, Manuel Nuval, who, fearing that they might succeed in eluding him, shot Abad, who died instantly. The other prisoner was captured.

In the second case, Pedro Adom treacherously struck Keeper Cornelio Sardeña with a blackjack, who died on account of the wound received. The prisoner was prosecuted, convicted of murder, and sentenced to life imprisonment.

In the Iwahig Penal Colony, notwithstanding the investigation of charges against Superintendent Ramon P. Mitra, Acting Superintendent Valentin Macasaet and several other employees of the colony, the discipline has been good throughout the year. There have been 227 minor violations of the rules and regulations as against 137 cases in the previous year. The increase was due to the adoption of greater vigilance and more strict enforcement of the rules and regulations.

In the San Ramon Prison and Penal Farm, discipline has been satisfactory. There were registered a case of attempted escape, and another of a serious nature perpetrated by a man who is more or less mentally unbalanced. Only 223 cases of minor offenses were tried by the summary court and 18 cases by the trusty court, as compared with 25 cases tried by the trusty court and 401 cases tried by the summary court during the year 1929.

In the Fort Mills Stockade, Corregidor, discipline has been good during the year. There has been no serious incident, except that two prisoners escaped during the year, but were finally recaptured.

Health and sanitation.—The medical staff of the bureau of prisons consists of 1 chief physician, 2 assistant chief physicians, 1 pharmacist, 1 male nurse, 1 female nurse, 1 dentist, 3 hospital attendants, and 1 sanitary inspector. This staff takes charge of the activities of the Bilibid Prison Hospital and exercises general supervision over the colony hospitals in Iwahig and San Ramon. Every day the sanitary inspector inspects all industrial shops, brigades, plazas, hospital premises, and other places which are believed to be breeding places of disease germs. Newcomers are physically examined. Their stools are also examined for intestinal parasites, and so is the blood, to determine if the person is suffering from filaria. Out of 6,014 prisoners, 85 were found positive for filaria.

As a prophylactic measure, vaccinations against typhoid, cholera, and small-pox are given to all newly arrived prisoners. General inoculation work of anticholera and antityphoid injections was undertaken. Pursuant to the provisions of prison rules and regulations, prisoners were required to take a bath every day and provided with sufficient clothes and uniform; and in order to keep them healthy, daily calisthenics were participated in by everyone except the sick.

During the year covered by this report, 4,506 patients were admitted to the hospital. Basing on the population of 9,975 residents and transients, the rate of

morbidity during the year was 451.7 per thousand. Tuberculosis was the prevalent cause of deaths in Bilibid Prison. There were 355 cases of death registered during the year, including one inmate who was legally electrocuted and one who was shot to death while attempting to escape. The 353 deaths from disease represent a rate of 35.4 deaths per thousand inmates.

The general hygienic and sanitary condition in the Iwahig Penal Colony has been satisfactory. Although malaria is endemic in the colony, the rural sanitation as a whole has been excellent. This is due to the campaign waged against malaria by the medical staff.

In the San Ramon Penal Farm the general health condition is excellent. No outbreak of any communicable or infectious disease has been registered during the year. During the year 421 prisoners were admitted to the hospital. This number includes 129 new inmates who had to be confined to the hospital to undergo observation and examination in accordance with the prison rules. During the whole year there were only 4 deaths registered. These deaths were due to pulmonary tuberculosis contracted by the deceased before their imprisonment.

In the Fort Mill Stockade, Corregidor, 15 prisoners died while 296 sick prisoners were returned to Bilibid Prison for treatment in the Bilibid Prison hospital.

Religious Services.—Religious services in the central prison are conducted by three chaplains, namely, one Catholic priest, one Philippine independent priest, and one Protestant chaplain who received no compensation. These chaplains also give moral instruction to prisoners daily.

In the Iwahig Penal Colony, religious services were rendered by one Catholic priest, a priest of the Philippine independent church, and a Protestant chaplain.

In the San Ramon Penal Farm, Rev. Father Mariano Ferrer, S. J., parish priest of the adjoining barrio of Ayala, has voluntarily given services, mostly on legal holidays, for Christian inmates. Members of the Christian Mission Alliance Church of Zamboanga have also been conducting Sunday classes inside the prison. As to the non-Christian inmates, they have been allowed to hold their baptismal and burial services, using their own priests or hadjies, who sometimes come from the neighboring barrios.

Recreation and entertainment.—In order to give the inmates sound and instructive entertainments leading to their moral uplift and ultimate reformation, concerts were given by the Bilibid Band; cinematograph shows were given on Saturday and Sunday evening; literary musical programs were rendered on special occasions, as Christmas, New Year, and Rizal Day. Radio programs are also enjoyed as there is a radiola which was donated by the Radio Corporation to the bureau. Besides these entertainments, the inmates are encouraged to play athletic games during their leisure hours.

In the Iwahig Penal Colony and San Ramon Prison and Penal Farm, the prisoners were provided with wholesome recreation and entertainments. Bands composed of prisoners furnished the inhabitants of the colonies with musical entertainments and cinematograph shows were also given. The prisoners were also encouraged to play different athletic games.

Prison schools.—Intellectual education of the prisoners also has been given attention by the administration. To this effect civilian teachers, with the assistance of 90 prisoners, conducted night and day classes for the benefit of illiterate prisoners. The teaching force is selected from among the prisoners whose educational attainments are above the intermediate grades and who are qualified to teach. These teachers were required to attend teachers' classes every Friday evening. All prisoners were required to attend the classes, except those over 50 years of age and those who, to the satisfaction of the superintendent, had proved to possess higher educational attainment than that given in the prison school. On November 4, 1930, the bureau of education transferred without cost to the bureau of prisons 1,550 condemned books. In the main prison, as well as in the Iwahig and San Ramon Penal Colonies, prisoners were granted the privilege to read books, newspapers, magazines, reviews, and other reading matter.

Improvements and repairs.—During the year covered by this report, important improvements and repairs were made in the central prison with a view to increasing the efficiency and promoting the hygienic and sanitary welfare of the inmates. In Bilibid Prison, the sum of ₱3,673.82 was spent for improvements and repairs. This amount includes the expenses for the construction of a hospital morgue, gun boxes in all guard posts, and other improvements of minor importance.

In the Iwalig Penal Colony, important improvements were made during the year, such as the construction of bridges and a new copra drier, and other improvements of minor importance.

In the San Ramon Prison and Penal Farm, the most important improvements and repairs made during the year, costing ₱31,500 were the construction of a hospital for women, a camarin for a new boiler, five dormitories and five houses for trusty prisoners.

The most important improvement made during the year was the construction of a new prison for female prisoners. By virtue of the provisions of Act No. 3579, which appropriates the amount of ₱60,000 and authorizes the secretary of justice to order the construction of such building as might be necessary for the confinement of female prisoners confined in the Bilibid Prison, a new prison building was constructed on the ground of Welfareville in San Felipe Neri, Rizal, on April 1, 1930. The cost of the building as estimated by the bureau of public works was ₱110,000, but by using prison labor, only the amount appropriated was needed, and a saving of ₱50,000 was made. The new quarters afforded increased floor space and better accommodation for 189 women prisoners. The construction of this building was supervised by the office of the public welfare commissioner, and to said office thanks are due for the fine spirit of cooperation shown by it.

Reestablishment of Bontoc Penal Colony.—Following instruction from this office, the prison authorities have taken steps toward the reestablishment of the Bontoc Penal Colony. To this effect, Supt. Valentin Macasact, of the San Ramon Prison and Penal Farm, and other officers and employees of the central prison, with 52 prisoners, proceeded to Bontoc in August, 1930. The colonists were immediately assigned to work on vegetable gardens. On October 15, 1930, another group of 15 prisoners was sent to the colony, in accordance with a request of the acting superintendent. At present there are 65 colonists engaged in vegetable gardening in the Bontoc Penal Colony.

Financial status.—During the year covered by this report, the total amount expended by the bureau of prisons, including the colonies, was ₱899,449.69, as against ₱1,006,925.03 in the preceding year, or a decrease of ₱107,475.34. This decrease was due to the strict economy observed during the year, particularly in the consumption of supplies and materials. Following is a statement showing the total expenditures during the fiscal year ending December 31, 1930:

Expended for prison division	₱899,449.69
Expended for industrial division	155,347.44
Total amount expended for the maintenance and instruction of prisoners	1,054,797.13
Deduction:	
Prison division revenue	₱320,290.55
Industrial division revenue	139,406.39
	459,696.94
Total net cost for 1930	595,100.19
Average net cost of maintenance for each prisoner for the year	79.10
Average net cost of maintenance for each prisoner for 1 day	.216

As may be seen from the above table, the average net cost for one day for each prisoner to the government was ₱0.216, as compared with ₱0.244 in the preceding year. The sum appropriated for freight; for express, telephone, delivery, telegraph, and miscellaneous service, and for traveling expenses of persons other than government employees, was inadequate; and in spite of efforts made to live up to the appropriation, the bureau incurred a deficit of ₱14,988.41 up to the end of the year. This overdraft was, however, covered up by savings from other items of the appropriation of the bureau of prisons, a readjustment authorized by section 11 of the appropriation act of 1931. Following is a statement showing the total expenditures of the bureau of prisons from the year 1924 to 1930.

Year	Prison division	Industrial division	Total
1924	₱842,425.99	₱228,887.15	₱1,068,313.14
1925	891,531.37	239,169.25	1,130,700.62
1926	882,984.94	202,353.66	1,085,338.60
1927	960,417.86	216,633.29	1,177,051.15
1928	962,410.46	226,882.04	1,189,292.50
1929	1,006,925.03	214,700.77	1,221,625.80
1930	899,449.69	155,347.44	1,054,797.13

The following table will show the total revenues of the bureau of prisons proper and the industrial division for the fiscal year ending 1930:

Prison division:		
Bilibid Prison	₱32,330.83	
Iwahig Penal Colony	186,667.62	
San Ramon Penal Farm	101,292.10	
		₱320,290.55
Industrial division:		
Machine and vehicle repair shop	26,680.18	
Wood furniture shop	32,301.54	
Building construction and repair	4,526.48	
Wicker furniture shop	31,801.83	
Tailor shop	35,629.57	
Laundry shop	2,607.00	
Embroidery shop	3,742.23	
Sales section	2,117.56	
		139,406.39
Total revenue		459,696.94

Maintenance.—During the year covered by this report, the bureau of prisons spent for maintenance of prisoners the total amount of ₱914,859.77, distributed as follows: Bilibid Prison, ₱522,842.62; Iwahig Penal Colony, ₱217,452.75; San Ramon Prison and Penal Farm, ₱126,993.49; Bontoc Penal Colony, ₱3,595.54; and Corregidor, ₱43,965.37. Taking the above figures as a basis, the daily cost of maintenance of each prisoner is as follows: Bilibid Prison, ₱0.37; Iwahig Penal Colony, ₱0.32; San Ramon Prison and Penal Farm, ₱0.37; and Corregidor, ₱0.16. The average cost of maintenance of one prisoner in Bontoc Penal Colony can not be ascertained, as said colony has not as yet been completely established.

Following is a comparative statement showing the average cost of maintenance during the last two years.

Division	Maintenance	Average number of prisoners	1929		1930	
			Yearly	Daily	Yearly	Daily
Bilibid	₱522,842.91	₱3,867.20	₱155.20	₱0.4251	₱135.17	₱0.37
Iwahig	217,452.78	1,856.76	180.03	.4384	117.11	.32
San Ramon	126,993.49	922.00	156.77	.4295	137.73	.37
Fort Mills, Corregidor	43,965.37	762.86	67.31	.1884	60.48	.16
Bontoc	3,595.54	50.00				

Subsistence.—For consumption of supplies and materials, including subsistence of prisoners, the amount of ₱570,030.30 was spent during the year 1930 as against ₱686,542 during the previous year, or a decrease of ₱116,511.70. Out of the total amount spent under this item for the year 1930, ₱397,620.10 was for subsistence of prisoners as compared with ₱468,434.75 for the year 1929, or a decrease of ₱70,814.65. The balance of ₱172,410.10 was spent for supplies, clothing of prisoners, beddings, medicines, etc.

The following is a statement showing the value of supplies for subsistence purchased and produced during the year ending December 31, 1930:

Division	Consumed	Produced		Total
		Copra	Other products	
Bilibid	₱213,959.53			₱213,959.53
Iwahig	93,365.26	₱62,870.94	₱101,854.27	258,090.47
San Ramon	46,610.28	40,432.39	59,935.47	146,978.14
Fort Mills, Corregidor	42,318.19			42,318.19
Bontoc	1,366.84			1,366.84
Total	397,620.10	103,303.33	161,789.74	662,713.17

The following is a comparative statement showing the average daily cost of subsistence per capita for the last six years:

Division	1925	1926	1927	1928	1929	1930
Bilibid.....	0.1768	0.1935	0.1945	0.1358	0.1741	0.1515
Iwahig.....	.1430	.1435	.1338	.14	.1654	.1378
San Ramon.....	.22	.18	.1574	.14	.142	.1498
Fort Mills, Corregidor.....				.14	.17	.1595

As may be seen from the foregoing table, the daily cost of subsistence per capita for 1930 is lower than that for any of the previous five years, the reason being the rigid economy practiced during the year covered by this report.

NATIONAL LIBRARY

Personnel.—During the year covered by this report, only two changes have taken place in the personnel of the national library, namely, the retirement on account of continued illness of Dr. Feliciano Basa, chief of the legislative reference division, and the resignation of Mr. Isaac V. Lucero, chief of the general reference and periodical division. Attorney Jose Lopez del Castillo, next in rank to Doctor Basa, was appointed chief of the legislative reference division, and Mr. Jose Munda was temporarily designated as acting chief of the general reference division, pending the selection of a competent official to succeed Mr. Lucero.

Business transacted.—The total number of active cards during the year was 10,767 and the average daily and monthly circulation were 504 and 12,600, respectively, the largest daily circulation being 892 on December 1, 1930, and the smallest being 193 on May 21, 1930. During the same period 5,547 application cards were received and 1,089 reserved notices and 1,275 overdue notices were sent out. There were circulated during the year 156,736 books and 190,262 consulted in the reading room. There have been classified and catalogued 6,137 volumes aside from the 522 books which have been indexed, catalogued, and labeled for the copyright office. The reclassified and recatalogued volumes were 406.

At the beginning of the year 1930, there was a total of 332,863 publications distributed as follows: Bound, 24,425; unbound, 17,255; pamphlets, 340,267, or an increase, during the year, of 49,272 publications. A total of 43,880 publications were received during the year from the bureau of printing, including the reports of different bureaus and their other publications, while 5,392 publications were received and 1,586 sent out by virtue of exchange relations of the national library with foreign countries. On December 31, 1929, the total number of books both in the central library and its provincial branches was 126,009 and the number of books added during the year 1930 was 23,200, including the accumulation of books in the document division received in former years but accessioned and carried in the books of account only in 1930 for lack of space and personnel, or a total collection of 148,673 books at the close of the year 1930. These 23,200 books added during the year 1930 and valued at ₱99,213.98 were acquired from the following sources: By purchase, 6,078 books, valued at ₱33,643.48; by donation, 520 books, valued at ₱1,668.70; by exchange, 258 valued at ₱977.10; by operation of law, 493, valued at ₱1,129; by binding, 919, valued at ₱2,327.25; by transfer, 660, valued at ₱5,060.12; and found at station, 14,272, valued at ₱54,408.33. There were in all 536 books lost and dropped from account by authority of the insular auditor.

With the passage of Act No. 3475 which appropriated the sum of ₱20,000, the national library was authorized to acquire by purchase the library collections of the late Epifanio de los Santos and Eduardo de Lete. Pursuant to the provisions of this act, a committee, composed of President Rafael Palma of the University of the Philippines, Prof. Austin Craig, and Assistant Director Eulogio Rodriguez, was appointed by the secretary of justice in order to appraise the total value of these two collections. After several conferences, the committee decided to appraise the Santos collection at ₱19,250 and the De Lete collection at ₱5,500. These acquisitions contain valuable historical materials, including manuscripts of Rizal, Mabini, and other great Filipinos. Besides these acquisitions, about 24 printed materials and 4 manuscripts, all relating to the Philippine Islands, were donated to the national library.

At the close of the year there were established 13 provincial branches and three deposit stations of the national library coming directly under the library extension division. The organization of provincial branches effectively advertised the national library, and a marked increase in its circulation is being obtained year by year. The total number of books circulated during the year among the branches reached that of 149,626 as against 115,635 of the preceding year, or an increase of 33,991. This was largely due to the establishment of new library branches. There were consulted in the reading rooms 907,792 books and reference materials, showing an increase of 60,297 over that of 1929. The number of card holders was 31,131, as against 30,486 in 1929, or an increase of 645.

Legislative reference and bill drafting division.—The requests for research work done by the division for members of the Philippine Legislature and other officials of the Government increased from 51 in 1929 to 67 in 1930. The number of bills drafted was 220 showing a decrease of over 100 bills as compared with the number of bills drafted during the preceding year. As to the reference work, the extent of service rendered may be shown by the number of books and pamphlets consulted during the year, which was 40,220 and 416, respectively.

Copyright.—The total registration during the year covered by this report was 589 as against 471 in the previous year. Of this number, 371 were musical compositions, 154 were books, 30 were motion pictures, 15 were dramatic compositions, 13 were periodicals, 4 were maps, 1 was a design, and 1 was a drawing. Of the 154 books registered during the year, 68 were written by Filipino authors, 70 by Americans, 13 by Americans and Filipinos jointly, and 3 by foreigners. Altogether there were 811 works deposited in the copyright office. Of this number, 276 were books; 469 musical compositions; 2 were contributions to periodicals; 30 were motion pictures; and 34 miscellaneous. There were also 327 assignments copied and recorded during the year as against 165 in the preceding year, classified as follows: Musical compositions, 298; books, 15; dramatic compositions, 14.

Value of insular properties of the national library.—The value of the insular properties of the national library was as follows:

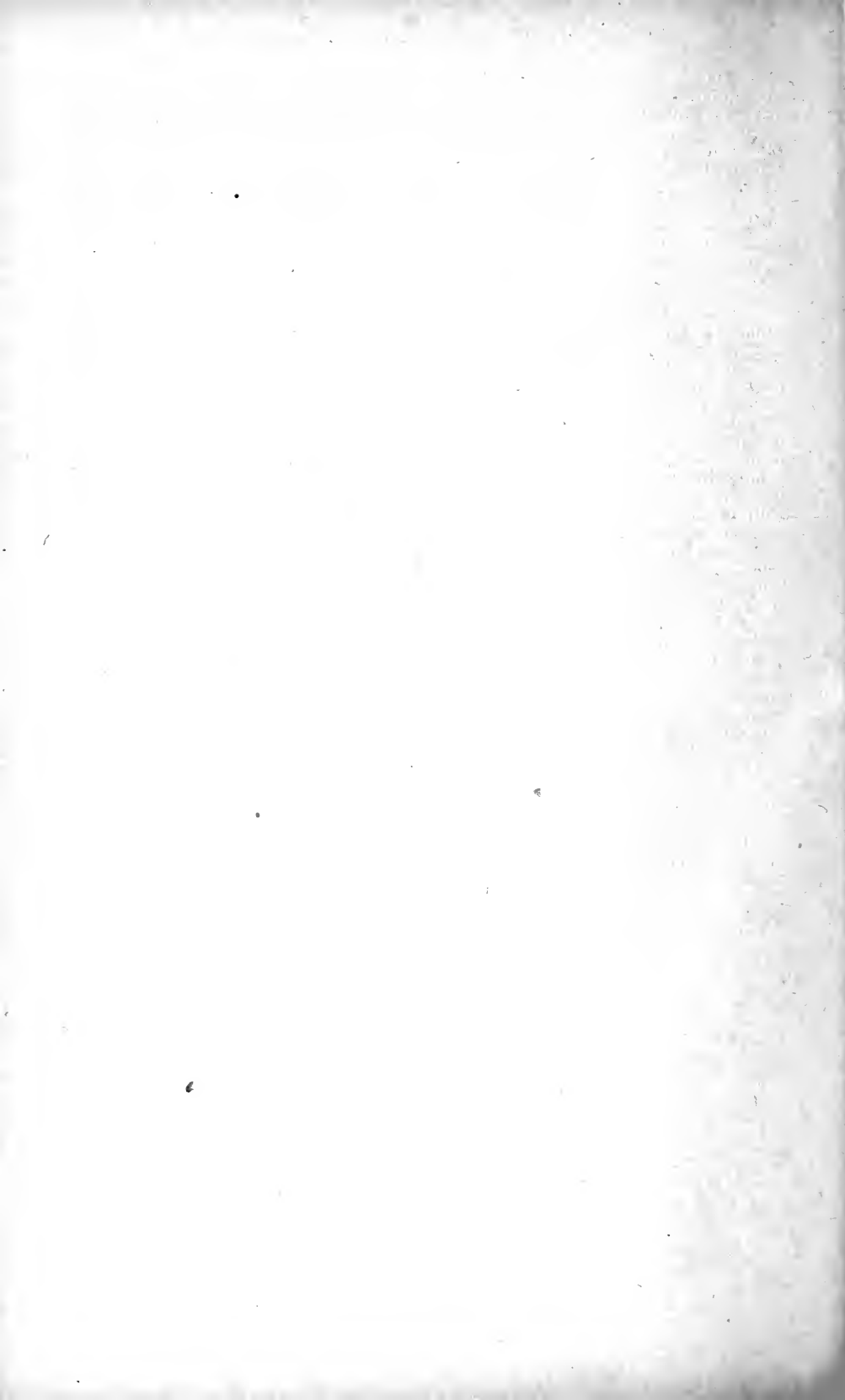
Building, occupied by the national museum, ₱58,250.04; books including periodicals, maps, and manuscript, ₱854,311.35; industrial machinery implements, ₱2,426.76; hand tools, ₱64.49; industrial and scientific exhibits, ₱23,615.21; furniture and office equipment, ₱103,534.01; fire fighting equipment, ₱377.15; total, ₱1,042,597.01.

Income.—During the year covered by this report the income of the bureau amounted to ₱6,649.83 which, compared with that of 1929, gives a decrease of ₱662.45. This decrease is due partly to the present financial crisis and mainly to the fact that in 1930 the amount collected by the archives division for certified copies of documents requested and paid for by the interested individuals suffered a decrease of ₱799.41.

Very respectfully,

JOSE A. SANTOS,
Secretary of Justice.

HIS EXCELLENCY, THE GOVERNOR GENERAL,
Malacanang, Manila.



ANNUAL REPORT OF THE SECRETARY OF AGRICULTURE AND NATURAL RESOURCES

FEBRUARY 27, 1931.

HIS EXCELLENCY THE GOVERNOR GENERAL
OF THE PHILIPPINE ISLANDS,
Manila.

SIR: I have the honor to submit the following annual report of the department of agriculture and natural resources for the year 1930:

I. GENERAL SCOPE

INTRODUCTION

Inasmuch as the bulk of the work of the department is to promote the conservation and development of the natural resources of the country, it is essential that there be accurate knowledge of conditions and that the activities and methods recommended by the bureaus of the department of agriculture and natural resources be emphatically and continually brought to the attention of as many people as possible. To the extent that the available means permitted, such a policy saw further application in 1930. Efforts were exerted to increase the field personnel for inspection and investigation work. To have fresh and first-hand information relative to the southern islands, especially Mindanao, the undersigned, from April 13 to May 1, 1930, took a trip to this section of the country, the result of which has already been reported to His Excellency. Research work has been emphasized, conventions, demonstrations, and exhibitions have been held, and the formation of producers' associations has been given impetus. In short, the department has taken an aggressive part in the leadership for the greater and more efficient utilization of the country's natural wealth.

ORGANIZATION AND PERSONNEL

From May 10 to June 10, 1930, Undersecretary Vargas was away from the islands as head of the Philippine delegation to the Far Eastern Olympiad in Tokyo. During his absence Assistant Director A. S. Arguelles of the bureau of science was detailed to the office of the secretary as assistant to the secretary, and the direction of the leaf miner campaign was turned over to Doctor Roxas, director of plant industry. There were changes in the subordinate personnel in the office of the secretary, brought about by new appointments, promotions, interbureau transfers, and special details of technical men to assist and advise the secretary.

The most outstanding change in organization was the split, as provided by Act No. 3639, of the former bureau of agriculture into the bureau of plant industry and bureau of animal industry. This was in line with the agricultural development of the country and with the added stimulus which it was desired to give to this basic and vital industry. The bureau of agriculture had been in existence for more than 25 years, during which its activities had grown by leaps and bounds. With the ever-increasing amount of service sought by the agricultural community, the need for separating from the strictly agricultural service the veterinary research and control activities of the animal husbandry work was deemed advisable in order that this special field might be better served and therefore be of greater usefulness to the country. The division was thus in line with the natural growth and general development of the government technical service and was also in keeping with agricultural progress of other countries. Then, too, the activities of the former bureau of agriculture

had become so well defined and specialized that apportioning them between two distinct bureaus would not entail a very complicated reorganization.

On January 1, 1930, Dr. Manuel L. Roxas, formerly professor in the college of agriculture of the University of the Philippines and more recently a member of the scientific staff of the Philippine Sugar Association, was appointed director of plant industry; Dr. S. Youngberg, who was director of the bureau of agriculture, was named director of animal industry; and Mr. Jose S. Camus, formerly assistant director of the bureau of agriculture, was made assistant director of plant industry. No assistant director of animal industry was appointed until November 25, 1930, when Dr. Victor Buencomino was given the position.

Don Manuel de Yriarte, organizer and first director of the national museum, died suddenly on November 4, 1930. To succeed him Dr. Leopoldo Faustino, chief geologist of the bureau of science, was designated as acting director of the national museum. However, Doctor Faustino was subsequently named as the representative of the secretary of agriculture and natural resources in the Philippine participation in the International, Colonial, and Overseas Exposition of Paris and was relieved of his duties in the museum. On December 3, 1930, Assistant Director A. S. Arguelles of the bureau of science was designated acting director of the national museum.

AGRICULTURAL CONDITIONS

Outbreaks of serious pests and diseases that affected practically all our staple crops have been unusually preponderant this year. The most serious was the leaf miner, which infested 26 Provinces, but particularly Laguna, Tayabas, Batangas, and Cebu. In these four Provinces the infestation assumed the largest proportions. By October the infestation in Cebu was entirely under control and by November that in Batangas. There is still a comparatively small infestation in the Lumbang-Paṅgil sector of Laguna, which our men are cleaning up. The infestation in Tayabas Province, though now confined to that section of the Province between the towns of Lucena and Tayabas and Atimunan and Padre Burgos, has remained very serious and is heavily taxing the resources of the bureau of plant industry.

In general, however, the leaf-miner infestation has been greatly reduced. In January of 1930 in the three southern Luzon Provinces—Laguna, Tayabas, and Batangas—some 7,000,000 trees harbored insects, which number rapidly increased to 10,000,000. At the close of the year hardly 500,000 trees remained infested to such an extent as to require treatment. Most of these are in the towns of Tayabas and Pagbilao.

The following insect pests and diseases severely affected crops in 1930, necessitating control work by the bureau of plant industry:

Rice.—Cutworms, leaf hoppers, stemborers, fungus, rats.

Coconut.—Leaf miner, leaf moth, or small slug caterpillar (formerly erroneously reported as a *Leviana* species), red scale, transparent scale, pague-pague, bud-rot, and rats.

Abaca.—Pague-pague, heart rot, bunchy top.

Sugarcane.—Buc-an, bunga, locusts.

Other crops.—Gummosis and Dapo on citrus and Dapo on lanzones; slugs on vegetables and root crops; and many other pests and diseases of garden crops, tobacco, citrus, bananas, mangoes, etc.

In the last half of 1925, 5 distinct typhoons passed over the islands—1 each in August, November and December, and 2 in September. Those of September were the worst. They destroyed a great many coconuts and abaca plants in Samar and the Bicol regions. Some sugarcane was also damaged in southern and central Luzon, both on account of the strong winds and because of the heavy rains and destructive floods. In November and December the typhoons passed over the Visayan Islands; but they were less violent and caused only a little damage to sugarcane in Negros and to the coconuts and maguey in Cebu, Leyte, and Samar. Early in 1930, or, to be exact, on April 13, a freak storm passed over Leyte and destroyed more coconuts and abaca in several towns of that Province.

The damage done to crops by these typhoons and floods during the year was estimated at ₱29,500,000.

Drought was experienced early in 1929 sufficient to affect the 1929-30 crop. Losses due to drought were estimated at ₱5,400,000.

Since 1926 the prices of commodities have taken the downward trend and are likely to go lower in 1931. In 1930 practically all products registered a much sharper decline than in previous years. The low prices, coupled with comparatively low yields, were responsible for the greatly reduced gross income per hectare, the lowest level ever reached in the last decade.

In 1930, 3,756,504 hectares were under nine leading crops, distributed as follows:

	Per cent		Per cent
Rice.....	48.25	Tobacco.....	2.13
Coconuts.....	14.64	Magney.....	1.04
Corn.....	13.76	Cacao.....	.05
Abaca.....	13.21	Coffee.....	.03
Sugar-cane.....	6.89		

Thus the largest area under cultivation, as is to be expected, was in rice, which remains our biggest industry. The total area under cultivation for all crops was approximately 23 per cent, or less than one-fourth of the total area considered to be suitable for agricultural purposes.

The area in these crops in 1930 was the largest in the last 20 years. There was an increase of 1,489,271 hectares over 1910. The distribution of this increase among the nine leading crops was as follows:

	Hectares	Per cent		Hectares	Per cent
Palay.....	620,660	41.67	Abaca.....	20,940	1.4
Coconuts.....	385,910	25.91	Coffee.....	419	.0
Corn.....	228,700	15.36	Cacao.....	322	.0
Sugar-cane.....	175,580	11.79			
Magney.....	30,380	2.04	Total.....	1,489,271	
Tobacco.....	26,360	1.77			

This shows in what direction our agriculture has expanded during the last 20 years. The tendency has been to produce more palay, more coconuts, more corn, and more sugar, the increase in area in the other crops being insignificant. This situation would thus seem to point to the need for the development of crops which have heretofore been neglected.

In relation to population the area under cultivation of the different crops has remained practically the same since 1910, which is on the average slightly less than three-tenths of a hectare. For a farming population of one-fourth of the total, the average cultivated area per farmer would be around 1.2 hectares. Compared with the area per farmer where the use of farm machinery has become popular, this ratio is low and shows the great room for the introduction of farm machinery and labor-saving implements on our farms.

The total value of production for 1930 for the nine leading crops was ₱452,102,670, or at the rate of ₱120.35 gross income per hectare or ₱34.46 per capita. Compared with previous years, this value is lower than in 1929 or 1928. The lower value in 1930 is due principally to a depressed market, which has been on the fall since 1926.

In point of value as well as area palay is the biggest industry of the Philippines, while sugarcane is next in gross value, even though it is but the fifth in area. Coconuts, abaca, and corn then follow.

In gross incomes per hectare, coffee and cacao are above the rest, followed by sugarcane, coconuts, tobacco, and palay, in the order named. Of these crops, the coconut has the widest range of adaptability and is the most convenient to plant both as to facility of obtaining seeds and the amount of care it requires. This explains why the coconut, next to rice, is the most widely grown plant in the Philippines. The others—abaca, tobacco, cacao, and coffee, as well as sugarcane—require definite belts and more intensive culture than coconuts. Their hectareage, therefore, is more limited than that of the latter.

However, if growers would pay more attention to income per hectare, coffee and cacao should be more attractive, particularly to those having suitable land and climatic conditions.

LIVESTOCK SITUATION

The control of contagious animal diseases, being one of the most important fundamental duties of the department, has received special attention during the year. Rinderpest has been kept down to the very minimum, outbreaks registered having promptly been put under control. Epizootics are now confined

mostly to the Mountain Province and adjacent regions of Cagayan Valley, Nueva Ecija, and the southern part of Occidental Negros. Control in those regions is difficult because there the cattle and carabaos are allowed to roam in a semi-wild state and frequently outbreaks of the disease pass unnoticed until many dead animals are encountered. We are now in a position to say that we have the means with which to overcome rinderpest, and the disease is only lingering in those isolated places where the animals are not properly managed. The interest being shown by many livestock owners due to the stoppage of importation of foreign cattle may contribute to a more complete control of rinderpest.

During the year 1,407,500 cubic centimeters of rinderpest vaccine were produced at the veterinary research laboratory of the bureau of animal industry and 27,423 cattle and 176,067 carabaos were vaccinated with this product. As in preceding years, the use of rinderpest vaccine has proved a very effective weapon in the control of rinderpest outbreaks. In places where all the animals or a very large percentage could be inoculated, a single injection was effective in controlling the infection. In other words, the efficacy of vaccination as a control measure is in direct proportion to the percentage of animals in an infected locality that was vaccinated.

Anthrax and hemorrhagic septicæmia have prevailed in a sporadic form or in small outbreaks in various sections of the islands. Prompt vaccinations have, however, kept those diseases under control.

During the past year Arabian stallions from India, poultry of improved breeds from Hawaiian Islands, and pigs of improved breeds from the United States were imported and distributed to various stations for public service. The demand for farm animals of improved breeds, particularly pigs and poultry, exceeds the present supply. It has not been possible to raise enough of them to fill standing orders.

An island-wide poultry and egg production campaign was started during the year and is now getting well under way.

There has been a general shifting of animals in the various stock farms and breeding stations and a very careful selection of sires that are being used at those stations for stock-getting purposes. The general quality of all animals is being greatly improved as a result of persistent culling of the inferior ones and breeding only from the very best ones. The results of this work will not be apparent for a number of years but the foundation is being laid for an enduring livestock improvement on all of the farms and breeding stations that are being operated by the bureau of animal industry.

CESSATION OF CATTLE IMPORTATION

The prohibition of the importation of cattle for slaughter was put into effect July 11, 1930, when the last shipment, consisting of 613 head, arrived from northern Australia. This is the outcome of a persistent struggle carried on for the past 10 years by local livestock men. Native cattle have therefore been in complete control of the Manila fresh beef market during the last five months of the year. In order to bring about the stoppage of the importation of live cattle and in order to insure the public against any sudden shortage of fresh beef and consequent violent fluctuations in the price thereof, the Philippine Cooperative Livestock Association, representing a minority of the cattle raisers of the country, entered into a contract with the Government to supply the city of Manila with fresh beef at the rate of 3,200,000 kilos per annum divided into 12 equal monthly installments at a price not to exceed 65 centavos a kilo, wholesale. It also agreed to have on hand in the city of Manila at all times sufficient slaughtered cattle to furnish 6,000 kilos of beef.

There was considerable diversity of opinion as to how the meat market would react to the changed conditions. What was greatly feared in many quarters was that the lack of a proper marketing organization would give rise to a condition of oversupply followed by a period of falling off of live cattle arrivals, with a consequent shortage of fresh beef. Some thought that local shipping facilities might not be adequate to bring in a steady supply of cattle for the market; others believed that the cattlemen might give way to cupidity and increase prices; while still others opined that the supply of native cattle might give out in a short time. Up to the end of the year, however, none of these fears had been realized. From August 1 to December 30 there was a

daily average of 670 head of cattle on the Manila market, in spite of the fact that the wholesale prices of fresh beef were actually lower than during the period of cattle importation. It has also been demonstrated that there are sufficient means of interisland communication to bring the necessary cattle to the Manila market, provided there is the will to ship them in. There are no indications that the supply of native cattle will give out in a short time or that any large inroads are being made on the cattle herds. At least a year or two will have to go by before any sound predictions can be made along this line.

At the present time the imported frozen beef sold on the public markets wholesale on the average at a lower price than fresh beef and is therefore a very important factor in limiting the amount of the latter that can be consumed and the price that the producer may receive. It is well to keep this fact clearly in mind, as further increases in the amount of imported refrigerated beef may have a further adverse effect on the local cattle industry.

FOREST ADMINISTRATION

The revenue of the bureau of forestry for the fiscal year ending December 31, 1930, amounted to ₱1,873,714.49 as against the total collection of ₱1,997,059.92 for the preceding fiscal year, or a decrease of ₱123,345.43 or 6.2 per cent.

The economic depression in the markets for Philippine lumber, both here and abroad, which started about the later part of 1929, was keenly felt throughout the year by the entire lumber industry. For the first time in its history the industry was seriously confronted with the problem of keeping production within the range of consumption. Wholesale lumber prices were about 20 to 25 per cent lower than those prevailing in 1929. As a consequence, seven sawmills and one lumber company without sawmill but using machine logging were forced to close down temporarily. However, in spite of the general curtailment of production, there were in stock at the various mills at the end of the year over 39,000,000 board feet of lumber.

The situation in the usual principal foreign markets for Philippine lumber was very unsatisfactory throughout the year due to the world-wide economic depression. In China the situation was aggravated by internecine warfare and depreciation of local currencies, while the Australian lumber market was practically lost due to the increase of duties on Philippine lumber. In the United States, lumber dealers were able to move their heavy stock of Philippine hardwoods but very slowly as there was little demand. The increased activities of the cotton mill industry in Japan, however, had somewhat allayed the unfavorable market conditions in that country as far as Philippine lumber trade is concerned.

There were cut and invoiced during the year 1,460,612 cubic meters of timber as compared with 1,658,568 cubic meters cut last year, or a decrease of 12 per cent. Minor forest products licensees also show considerable decrease of activity during the year.

The amount of lumber and timber exported during the year was only 82,351,824 board feet, with customs-declared value of ₱5,478,964, as compared with 104,275,592 board feet, with customs-declared value of ₱7,196,724, or a decrease of 21 per cent. The estimated value of lumber sold during 1930, both in domestic and foreign markets, is ₱65,000,000, as against ₱75,000,000 last year.

Field work on 55 land classification projects was completed during the year. There were also certified 58 projects, involving an area of approximately 342,330.59 hectares, as against 1,200,086.76 hectares of the previous year, or a decrease of 857,756.17. Of this total area certified, 269,630.13 hectares were classified as alienable and disposable as compared with 385,352.37 hectares of alienable area classified in the preceding year.

There were proclaimed during the year by the Governor General two forest reserves, namely, Mayon Volcano Forest Reserve and Lanzone Forest Reserve, with a total area of 6,612 hectares. The Davao, Bulusan, and Cunalum Forest Reserves, with a total area of 1,662,362 hectares, are now ready for proclamation.

Twenty-seven parcels of new communal forests were established during the year, 24 were amended, and 8 canceled. Six communal pastures were also established.

The survey of three forest reserves, covering a total area of 68,617.08 hectares, were undertaken during the year.

A total area of approximately 386,692 hectares was covered during the year by an extensive planting survey of the watersheds in the Provinces of La Union and Ilocos Sur and parts of Pangasinan, Abra, Benguet, and Pampanga. Of this area about 190,217.75 hectares were found to be in need of reforestation.

In conjunction with the work in the school of forestry, improvements in the Makiling National Botanic Garden were made. A portion, designated as Pili Block, was placed under intensive management. One kilometer automobile road from the school of forestry into the forest was constructed with about 5 kilometers more surveyed and definitely located. Rest houses were built and a telephone line is under construction.

ADMINISTRATION OF MINERAL RESOURCES

During the year 423 mining claims were located in 22 Provinces as against 671 mining claims located in the same number of Provinces during 1929. These 423 mining locations consist of 337 lode mineral claims and 86 placer mining claims. The aggregate approximate area of the 423 mining claims located in 1930 is 6,855 hectares as against 5,927 hectares located in 1929. Of this total area about 2,940 hectares are covered by lode claims and about 3,915 hectares are covered by placer claims.

As in previous years, in 1930 the Benguet mineral district led all other districts in the production of minerals and in the development of mining claims. The Benguet Consolidated Mining Co. installed a new power plant at the Agno River. The output of this company for 1930 was about ₱3,600,000, and on December 20, 1930, the firm paid to its stockholders ₱1,000,000 as dividends, representing earnings of ₱0.40 per share. The Balatoc Mining Co. produced for this year about ₱2,500,000 worth of gold and silver and is progressing with its development program.

ADMINISTRATION OF THE PUBLIC DOMAIN

Although a smaller number of applications for the acquisition of public lands was received in 1930 than in 1929, the year under review was one of increased activity in the bureau of lands. For homesteads, the most popular method of acquiring public lands, 12,300 applications, involving an area of 209,680.5848 hectares, were received, as against 13,903 similar applications received in 1929 involving an area of 236,615.6619 hectares. In an effort to dispose of the applications which have accumulated, the land department waged an intensive campaign to increase its output. This resulted in the approval in 1930 of 14,175 homestead applications, representing an area of 202,293.9832 hectares and of 6,424 free patent applications covering an area of 28,045.1849 hectares, as against 9,160 homestead applications representing an area of 137,257.5165 hectares and 2,203 free patent applications covering an area of 10,375.5959 hectares in 1929. In 1930 there were issued 1,888 homestead patents involving an area of 22,365.5496 hectares, and 715 free patents covering an area of 2,511.9206 hectares as against 1,493 homestead patents, involving an area of 17,699.8801 hectares, and 393 free patents covering an area of 1,656.3761 hectares in 1929.

The following table briefly gives the activities of the land department for 1930:

Year	Applications acted upon	Patents issued	Cadastral lots verified and approved	Isolated survey lots verified and approved	Collections	
					Disposition of public lands	For cadastral fees
1926.....	6, 533	1, 883	33, 857	18, 743	₱302, 940. 61	₱201, 302. 95
1927.....	9, 898	1, 042	35, 511	15, 192	368, 951. 82	223, 757. 59
1928.....	14, 627	1, 452	46, 607	22, 948	426, 704. 71	192, 832. 94
1929.....	25, 137	1, 965	69, 271	25, 096	451, 762. 20	201, 053. 34
1930.....	40, 925	2, 675	72, 748	39, 127	526, 822. 64	317, 093. 81

In connection with its duty of disposing of the public lands, the land department was also called upon to decide numerous claims and conflicts affecting the public domain that were brought to its attention. As a result, there were 5,323 decisions rendered by the bureau of lands in 1930 as against 2,286 in 1929. Of these, 163 decisions were brought on appeal to the undersigned and were disposed of during the year.

The present problem affecting Mindanao as seen by the undersigned in his last trip make it imperative to have a closer supervision of the administration of the public domain there. Mindanao is so distant from the Manila office of the bureau of lands that close watch of the developments there can not be kept. It is true that there are representatives of the bureau of lands stationed in different parts of the islands, but the problems of Mindanao are peculiarly delicate and should not be entrusted to ordinary subordinate employees. For this reason the undersigned recommended the creation of the position of special agent for Mindanao, which was incorporated by the legislature in the 1931 budget and was approved by his excellency.

SCIENTIFIC ACTIVITIES

It is gratifying to state that the scientific activities of the department have contributed greatly to the solution of many serious problems confronting the country. Detailed accounts of these are given later in this report in connection with the description of the work of each bureau, but a few of the outstanding accomplishments may be briefly stated here as examples.

The year 1930 was one of great activity on the part of the bureau of science. Perhaps the most outstanding accomplishment was the manufacture of 21,000,000 doses of cholera vaccine, of which the bureau dispensed, mostly to the Philippine Health Service, 17,432,154 doses. In addition, large quantities of other vaccines were manufactured and disposed of. In all, the bureau of science disposed of 22,000,000 doses of vaccines which, without doubt, were greatly instrumental in controlling the recent cholera epidemic in the southern islands and in preventing other diseases from reaching epidemic proportions. Forty-five thousand bottles of tiki-tiki extract were furnished free of charge to the office of the public welfare commissioner for the treatment of infantile beriberi. The number of routine analyses and examinations was very large, being considerably in excess of 300,000.

The bureau of plant industry has been conducting experiments tending to increase the yield of crops, to introduce new varieties of plants, and to eradicate the pests and diseases which affect agriculture. The bureau of animal industry does work along similar lines with respect to animals and, as stated elsewhere in this report, has perfected the rinderpest vaccine. The bureau of forestry has been conducting research in silviculture, forest protection, and forest management and has made extensive studies on insects and fungi destructive to seeds, trees, logs, lumber, etc. The weather bureau has reorganized the meteorological cablegrams, radiograms, synoptic weather messages, and adopted a uniform code for the display of typhoon signals in the Far East as the result of the Hongkong conference of the Far Eastern Weather Service. In addition, more modern and accurate instruments have been installed.

ORDERS AND CIRCULARS

Acting in accordance with the rules prescribed in Department Circular No. 1 dated July 12, 1929, the different bureaus and offices of the department issued during the year 1930 various administrative orders, circulars, bulletins, special orders, travel orders, and office memoranda to regulate their respective functions and activities. The administrative orders worthy of special mention are Administrative Orders Nos. 3 and 4 of the bureau of science to carry out the purposes of Acts Nos. 3595 and 3596, respectively, regulating the sale of galvanized iron and paints; Administrative Order No. 2 of the same bureau prescribing the schedule of charges for work done by the bureau of science; and Administrative Order No. 2 of the bureau of animal industry prescribing the rules and regulations to govern the administration and disposal of animals owned by the said bureau.

LEGISLATION

During the year 1930 the legislature showed, as in the past, its willingness to cooperate with the executive branch of the government in the promotion and development of the agricultural and natural resources of the country. The promptness with which the legislature approved during the early days of its last session Act No. 3677, appropriating, among others, the sum of ₱400,000 to combat the leaf-miner pest, is evidence of that cooperation.

Aside from Act No. 3677, the legislature enacted other important laws affecting the department of agriculture and natural resources. Some of these laws which merit special mention refer to the improvement of rural credits (Acts Nos. 3744, 3746, 3747, 3750, and 3771), the exemption of guano, molasses, and refractory ores from the payment of wharfage charges (Act No. 3818), the quarantine of plant pests (Act No. 3767), and the protection of fish and game (Act No. 3730).

The department sponsored last year the enactment of two measures creating a sugar board and a coconut board which were intended to stabilize, protect, and improve the sugar and coconut industries, two of the leading agricultural industries of the country. These measures (H. B. Nos. 3965 and 3972) were favorably considered by both houses of the legislature, but were vetoed by the Governor General on December 8, 1930. Believing that such measures are essential to the industries of the Philippines, the undersigned hopes that the features to which the Governor General objected may be eliminated without defeating the purpose of the bills, in order that they may be reintroduced in the coming session of the Philippine Legislature.

House bill No. 2216, which was passed in 1929, providing for the survey, subdivision, and development of the public domain, has been approved by the President of the United States and is now Act No. 3673.

The titles of the laws passed by the eighth Philippine Legislature, third (1930) session, affecting the different bureaus and offices of the department of agriculture and natural resources are as follows:

LANDS

Act No. 3682: An act to amend sections 349 and 2098 of Act No. 2711, known as the Administrative Code, authorizing the provincial assessor to issue certified copies of declarations of real estate made by the owners, and for other purposes.

Act No. 3706: An act to amend subsections (d) and (e) of section 344 of the Administrative Code.

Act No. 3716: An act authorizing the director of lands, with the approval of the secretary of agriculture and natural resources, to collect fees for the verification of surveys by private land surveyors, setting aside an appropriation for the employment of personnel and for other purposes.

Act No. 3732: An act to authorize the sale or lease of San Ramon Prison and Penal Farm and of the Iwahig Penal Farm and the establishment of other penal farms in the Philippines, and to appropriate funds therefor.

Act No. 3764: An act to amend section 68 of Act No. 136, as amended, and section 4 of Act No. 1627, as amended, authorizing judges of courts of first instance, with the approval of the secretary of justice, to assign justices of the peace of capitals of Provinces organized under the provincial law and justices of the peace of municipalities considered as provincial capitals in accordance with the provisions of Act No. 3622, to hear and determine cadastral cases, and authorizing the payment to such justices of the peace of an additional compensation while acting by virtue of such assignment, and for other purposes.

Act No. 3796: An act to require every deed conveying land, presented for registration, to state the nationality of the grantee, amending the land registration act accordingly.

Act No. 3804: An act authorizing the director of lands to assign to provincial treasurers the fees collectible from cadastral surveys, and for other purposes.

Act No. 3805: An act amending section 2 of Act No. 3327, entitled "An act authorizing private surveyors to make cadastral surveys, and for other purposes."

Act No. 3819: An act authorizing the Governor General to designate any tract or tracts of the public domain as reservations for airports, airplane landing fields, or bases, by amending section 51 of Act No. 2874 as amended.

FORESTS

Act No. 3909: An act amending section 1816, section 1818, and section 1923 of Act No. 2711, known as the Administrative Code.

Act No. 3820: An act to amend section 1838 of Act No. 2711, known as the Administrative Code, relative to the leasing of forest land for special purposes.

Act No. —: (S. B. No. 335—Sent to United States.) An act authorizing the control and administration of timber on public mineral lands.

ANIMAL INDUSTRY

Act No. 3707: An act to amend section 2666 of Act No. 2711, known as the Revised Administrative Code.

Act No. 3721: An act fixing ₱1.25 a day per head as the maximum charge which municipalities may impose and collect for large or small cattle impounded in the municipal stables.

Act No. 3737: An act to amend section 515 of Act No. 2711.

PLANT INDUSTRY

Act No. 3677: An act amending certain items of Act No. 3638, more commonly known as the general appropriation act for the year 1930.

Act No. 3744: An act to amend section 33 of Act No. 2508, as amended by section 2 of Act No. 2566, and providing for the remuneration of municipal treasurers acting as treasurers ex-officio of rural credit associations.

Act No. 3746: An act amending sections 7, 10, 13, 14, and 15 of Act No. 2508, known as the rural credit law, and for other purposes.

Act No. 3747: An act amending sections 39, 41, and 43 of Act No. 2508 as amended by Act No. 2566, and for other purposes.

Act No. 3750: An act amending section 42 of Act No. 2508, the rural credit law, and for other purposes.

Act No. 3767: An act regulating the importation, bringing, or introduction into the Philippine Islands of living animals, such as insects, birds, crustaceans, bats, mollusks, reptiles, mammals, and other animals not falling within the scope of the "domestic animals" as provided and defined in section 4 of Act No. 3639 in order to protect the agricultural industries of this country, and for other purposes.

Act No. 3771: An act declaring loan and other instruments of agricultural credit cooperative associations exempt from the documentary stamp tax and authorizing justices of the peace to acknowledge the same free of charge, amending Act No. 2508 accordingly.

SCIENCE

Act No. 3708: An act to prohibit the importation into the Philippine Islands of the virus of yellow fever or any substance which might be considered infected with the causative agent of yellow fever or the experimentation of such virus or substance in the Philippine Islands.

Act No. 3730: An act to amend several sections of Act No. 2590, entitled "An act for the protection of game and fish."

Act No. 3735: An act to amend section 4 of Act No. 2584 entitled "An act regulating sponge fisheries in the Philippine Islands."

Act No. 3740: An act to penalize fraudulent advertising, mislabeling or misbranding of any product, stocks, bonds, etc.

Act No. 3818: An act amending further certain provisions of the Philippine tariff act of 1909 relating to charges for wharfage.

MUSEUM

Act No. 3720: An act making it the duty of the national museum to cooperate in the preservation of permanent public works and monuments of value to Philippine history and culture, and authorizing the director of the national museum to make rules and regulations for carrying out the purposes of this act.

Joint Resolution No. 6: Joint resolution declaring the human remains disinterred in a place at Tirad Pass on March 8, 1929, to be the real and authentic remains of Gen. Gregorio H. del Pilar, and authorizing the secretary of the interior to deliver the same to the director of the national museum, for the temporary safe-keeping thereof in said museum.

MISCELLANEOUS

Act No. 3687: An act appropriating the sum of ₱100,000 to defray expenses of the Philippine participation in the International, Colonial and Overseas Exposition to be held in Paris during the year 1931.

Act No. 3710: An act to amend section 564 of Act No. 2711, known as the Administrative Code, regarding the hours of labor of government employees.

Act No. 3733: An act to consider the late Manuel de Yriarte retired under Act No. 2589, as amended.

Act No. 3803: An act appropriating funds for the necessary expenses of the government of the Philippine Islands during the fiscal year ending December 31, 1931, and for other purposes.

Act No. 3813: An act making appropriations for public works.

II. ACTIVITIES BY BUREAUS

BUREAU OF PLANT INDUSTRY

THE RICE SITUATION

The Philippines has become almost self-supporting as to rice. The area planted in 1929-30 was the largest in the history of the islands, 1,812,800 hectares having been harvested. Compared with 1910, this shows an increase of 620,660 hectares, or a rate of increase of 31,000 hectares per year.

Not only was the largest area planted into rice in 1929-30, but the yield per hectare was the largest ever recorded in the archipelago. The bumper rice crop of this year resulted in excessive production and the consequent lowering of prices. The total production of lowland rice during the year amounted to 40,628,600 cavans of palay, while that of upland was 10,958,300 cavans.

In 1930 the average price of palay was ₱3.60 as against ₱3.88 per cavan for 1928-29. During the last half of 1930 prices went down to much lower levels. Because of the lower price per cavan, the rice crop for the year under review is lower in value than that of the preceding year—₱185,637,100 for 1930 as compared with ₱193,431,510 for 1929.

The importation of rice during 1930 was the lowest on record, only 191,076 cavans, while that of 1929 was 1,831,775 cavans, or almost ten times as much.

THE COCONUT SITUATION

During the year still more coconuts have been planted, the estimate being 3,166,700 trees, which is over 62,000 trees more than were planted in 1929. The total number of trees under cultivation on June 30 was 105,069,040, of which 65 per cent, or 68,734,310 trees were in bearing. This represents an increase of 3.49 per cent in the total number of trees and 5.61 per cent of those in bearing over the previous year. The total number of nuts collected in the year under review was 2,056,760,000, which was 4.59 per cent less than the previous year. This reduction was due to typhoons and pests, principally the leaf miner. There were 212,985,900 nuts used for food products, principally desiccated coconut; 18,000,000 were for primitive press-made coconut oil. The rest—1,825,774,100—were made into copra.

There were produced 7,274,780 piculs of copra, and 1,874,500 liters of oil were made in the primitive press. Tuba, which is also an important product of the coconut, amounted to 116,796,470 liters.

The average production of nuts per tree was 30. The average number of nuts per picul of copra was 251, or 4 piculs of copra to 1,000 nuts.

The prices of coconuts and copra were also lower than those of the previous year. Nuts averaged ₱2.94 per hundred; copra, ₱7.75 per picul; coconut oil made in small primitive presses was quoted at ₱0.35 per liter; and tuba at ₱0.10 per liter. The lower prices in 1930 were responsible for the low value of this year's production, which amounted to ₱76,262,900, as compared with ₱89,093,620 in 1929. During the last half of 1930 prices went down further, and at the present writing, February, 1931, "corriente" is quoted at as low as ₱3.50, which is much lower than the pre-war prices. No relief seems to be in sight during 1931.

THE SUGARCANE SITUATION

The total area planted to sugarcane for the 1929-30 season was 258,750 hectares, or slightly over that for the 1928-29 season, when the area cultivated totaled 257,710 hectares.

About 68 per cent of the area planted this year, or, to be more exact, 175,940 hectares, represented the extension covered by the canes milled by the centrals, which turned out 12,416,800 piculs (785,276.3 metric tons) of centrifugal sugar, while the remainder, or 82,810 hectares, produced cane that was made into muscovados and panochas. The production thereof was 1,076,740 piculs (68,105 metric tons) and 582,250 piculs (36,828 metric tons), respectively. During 1928-29 the area of the centrals was only 155,655 hectares, which yielded

11,035,410 piculs (698,000 tons) of centrifugal sugar. Primitive mill owners planted 102,055 hectares, which yielded 1,744,620 piculs (110,349 metric tons) of muscovado sugar and 615,670 piculs (38,942 metric tons) of panocha. The average per hectare yield of centrifugal sugar was 70.6 piculs, while that of crude sugar was only 20.

During the year there were exported 689,305.2 metric tons of centrifugal sugar, 9,887.4 metric tons of muscovados, and 19,823.1 metric tons of refined sugar, or a total of 719,015.7 metric tons of sugar, with an aggregate value of ₱104,547,652. During the same period there were imported 8.8 metric tons of raw sugar and 2,879.7 metric tons of refined sugar, or a total of 2,888.5 metric tons, with a total value of ₱491,659.

The amount left in the islands for consumption was 174,166.5 metric tons, which represents a consumption per capita of 13.3 kilos.

Prices paid during the year were all lower than those paid in 1928-29, and consequently the total value of sugarcane products was smaller. These prices were ₱8.22 per picul of centrifugal sugar, ₱5.59 per picul of muscovado sugar, ₱6.32 per picul of panocha, ₱0.10 per liter of basi, and ₱0.04 per liter of molasses. The corresponding prices paid the year before were ₱9.21, ₱5.80, ₱7.95, ₱0.22, and ₱0.09, respectively. The total value of sugarcane products during 1929-30 was ₱113,357,990 as against ₱119,915,120 in 1928-29.

For the last 20 years the expansion of the sugar areas was mostly in Occidental Negros and Tarlac.

THE ABACA SITUATION

The total area planted to abaca during the year was 496,080 hectares as against 484,850 hectares in 1928-29. About 80 per cent of the area cultivated this year, or 397,620 hectares, were productive, yielding 3,090,740 piculs, or 8 per cent less than last year. The productive area in 1928-29 was 83 per cent of the total area cultivated, or 403,130 hectares, which gave 3,373,810 piculs.

The largest increase in area planted over 1928-29 was registered in Davao, where 16,910 hectares were newly planted, representing an increase of 29 per cent. Camarines Sur and Sorsogon also increased the area planted by 10 per cent, or 4,030 hectares, and 5 per cent, or 2,950 hectares, respectively.

In 20 years the Philippine Islands has increased its area in abaca by 91,920 hectares. This extension took place principally in Davao, Sorsogon, Camarines Sur, and Leyte. However, other Provinces, like Albay, Camarines Norte, and Misamis, decreased their plantings of abaca.

Planters have been discouraged by the continued downward movement of the prices of abaca. During the year the average price for all grades paid per picul of abaca was ₱12.21, which was the lowest recorded during the last nine years.

The total value of the entire abaca production of the islands amounted to ₱37,737,060 as against ₱54,814,360 in 1928-29.

The exports of abaca, including all grades, amounted to 186,669,846 kilos, or 2,951,302 piculs, valued at ₱49,220,072.

There is a vital problem now confronting the whole abaca industry, namely, the competition of Sumatra abaca. Briefly, the situation is this: Sumatra is now producing abaca of grades equivalent to grades E, F, S2, and S3 of Manila abaca, which it was selling in October, 1930, at ₱16 per picul for grade E, ₱15.30 for grade F, and ₱14.60 for grades S2 and S3, f. o. b. New York, which was equal to ₱11.75 per picul for E, ₱11 for F, and ₱11.50 for S2 in the grading establishments in Manila. At the same time (October, 1930) the quotations for abaca in Manila were ₱13.50 to ₱15.25 per picul of F. It is plain that Sumatra abaca would eliminate the Manila abaca in the world's market if it could fully supply the demand.

She is able to produce abaca at a lower cost in comparison with Manila abaca on account of more systematic cultivation and the introduction of efficient stripping machinery. It is evident that if the Philippines is to meet the competition, she must also resort to more systematic cultivation and the introduction of efficient stripping machinery. The Philippines has a tremendous advantage at present of still having the monopoly of the abaca market, since almost 500,000 hectares are planted to abaca in these islands, as against an area outside of this country of probably no more than several thousand hectares, including that of Sumatra. This area about fully meets the world's demand for abaca. The main problem, therefore, is a more vigorous policy for the improvement of the cultural methods and the introduction of stripping machinery in order to lower the cost of production of the fiber.

THE CORN SITUATION

Although slightly larger than that for last year, chiefly due to a trifling increase in the area planted, the corn production for 1929-30 was next to that of 1928-29, the smallest crop in 10 years.

The total area planted to corn during the year was 516,970 hectares, or 1,930 hectares more than in 1928-29, and the yield was 6,399,040 cavánes, or 4.19 per cent more than that for the previous year. The average yield per hectare in 1929-30 was 12.38 cavánes.

The average price was ₱3.90 per caván for 1929-30 and ₱3.98 for 1928-29, and the total values of the respective crops amounted to ₱24,932,800 and ₱24,431,600.

As a result of the declining yields of corn in the centers of production, this grain is now being imported to make up for the shortage. During the year ending June 30, 1930, there were imported 10,073,252 kilos of corn valued at ₱615,711.

THE TOBACCO SITUATION

The area planted to tobacco was 79,990 hectares, as against 82,620 in 1928-29. As the weather conditions that ensued during the period of growth were practically the same as those for the past year, there was no appreciable reduction in the yield.

The total production for the year was 1,002,470 quintals, valued at ₱9,336,430, while the corresponding figures for 1928-29 were 1,030,840 quintals and ₱10,463,050, respectively.

The prices for leaf tobacco were lower this year and averaged ₱9.31 per quintal, or 84 centavos less than last year.

During the last 20 years the rates of increases and decreases in the area planted to tobacco have been erratic, depending chiefly on whether the prices went up or down. The highest marks were registered immediately after the war, when prices reached the highest peak—that is, in 1919-20. Notwithstanding the fact that the areas planted have been declining, there is an appreciable increase of 10,970 hectares in the extension cultivated since 1911.

The importation and value of leaf tobacco, cigars, cigarettes, and other tobacco products during the year 1929-30, were as follows:

	Unit	Amount	Value
Leaf tobacco.....	Kilos.....	189,402	₱887,142
Cigars.....	Number.....	1,130	213
Cigarettes.....	do.....	1,210,384,873	4,891,231
Chewing tobacco.....	Kilos.....	437,843	983,537
Smoking tobacco.....	do.....	41,141	38,382
All others.....	do.....	259	801
Total.....			6,851,306

During the same year the exportation and value of tobacco leaf and its products were as follows:

	Unit	Amount	Value
Tobacco leaf.....	Kilos.....	21,687,755	₱7,177,271
Cigars.....	Number.....	182,741,060	7,296,105
Cigarettes.....	do.....	63,938,125	139,530
Smoking tobacco.....	Kilos.....	25,746	18,467
All other tobacco.....	do.....	2,135,530	917,024
Total.....			15,548,397

THE MAGUEY SITUATION

The area planted to this fiber is appreciably increasing every year. In June, 1930, there were 38,980 hectares under cultivation, or 1,720 hectares more than the year before.

Seventy-eight per cent of this area is in production, and during the year there were gathered 282,750 piculs of fiber. This production was 16 per cent less than that for 1928-29, chiefly due to the low prices of cantala.

The average price of maguey during the year was ₱9.39 per picul, which was ₱1.12 less than the average for the previous year. At these rates the total values of the corresponding crops were ₱2,654,690 and ₱3,538,030, respectively.

Although the prices of this fiber have been steadily declining since 1926, this downward movement has been gradual. Nevertheless, prices during the last six years were generally higher than those obtained before, and consequently there was a marked tendency for increasing the areas planted to this fiber.

The exportation of maguey during the year 1929-30 amounted to 15,623,188 kilos, valued at ₱2,683,541.

The need for improvement of the quality of maguey is being felt, especially at present, on account of low prices. The maguey from northern Luzon hardly sells, because the fiber is short and not well cleaned. This is due a good deal to close cropping and close planting, which result in short, wounded leaves. The wounds are due to the interlacing of the leaves, which are spiny. The wounded parts leave hard black knots. Hence the urgent necessity of using proper cultural methods.

The retting itself is uneven, due to carelessness in handling of leaves during the process.

THE CACAO AND COFFEE SITUATION

The growing interest in planting more cacao and coffee trees witnessed of late continued this year, in view of the increasing demand for them.

At the close of the agricultural year there were in the islands 2,325,000 cacao trees and 3,018,300 coffee trees, as against 2,321,000 and 2,993,700, respectively, the previous year. There were gathered during the year 1,217,500 kilos of cacao and 1,367,000 kilos of coffee.

The crops were sold for ₱1,240,000 and ₱943,700, and the respective prices per kilo were ₱1.02 and ₱0.69.

Although during the last 16 years the local production of cacao and coffee has increased by 115 and 118 per cent, respectively, yet this has been barely sufficient to meet the ever-increasing consumption of these commodities. During the year ending June 30, 1930, there were imported 1,801,091 kilos of crude and prepared cacao and 2,532,044 kilos of raw and toasted or prepared coffee, representing over three-fourths of the consumption that the islands had this year of these two products. The corresponding values of those importations were ₱1,209,382 and ₱1,904,346.

In response to this ever-increasing demand there was a steady increase in the number of trees planted to cacao and coffee since 1914, the net increases being 468,100 and 1,046,300 trees, respectively.

THE FRUIT PRODUCTION SITUATION

The value of the fruits produced in 1930 amounted to some ₱28,000,000. The industry has been almost exclusively a back-yard affair. Families owning or renting house lots have a few trees around their houses, from a fraction of a hectare to a few hectares. Except a few isolated commercial plantations, no extensive planting of fruit trees comparable with coconuts or coffee is found in the Philippines. A total of 152,862 hectares was given over to different fruit trees, mostly bananas and mangoes. The production amounted to less than ₱3 per capita per year.

A good portent for the fruit industry of the islands has been the establishment of a pineapple fruit-packing corporation in Santa Fe, Bukdenon in Mindanao, operated by the big California Packing Corporation. This is the first large and modern fruit-packing company ever established in the islands.

Considering the value of fruits in the local market, it can be seen that this rate of consumption of fruits is insufficient and shows the desirability of fostering this industry, as fruits should be an essential part of every day's diet. The fact that our fruit production is insufficient is further corroborated by the large amounts of fruits we import.

Over ₱800,000 worth of oranges, ₱16,000 worth of pomelos, ₱114,000 worth of lemons, ₱1,200,000 worth of other fresh fruits (such as grapes, apples, grapefruits, strawberries, plums, blackberries, lychees, mangosteens), and close to ₱1,000,000 worth of dried, preserved, and pickled fruits were imported in 1929. With the exception of apples, pears, and others almost exclusively raised in the Temperate Zone, all the rest are produced here and could be produced plentifully.

Whether we shall ever actually produce all that we consume of these commodities will depend a great deal on the education of the fruit growers and the number of enterprising farmers who will go into the industry. For the production of these fruits we have vast tracts of suitable land of diverse soil and climatic conditions. Large-scale production of oranges, pomelos, mandarins, grapefruits, and lemons could be carried on in Batangas, Mountain Province, Lanao, and notably Bukidnon; of the mangosteens in Sulu and Mindanao; and of strawberries in the Mountain Province, Bukidnon, and Lanao. However, fruits like oranges, pomelos, lemons, etc., can only be grown profitably over long periods when receiving the best of care, which means intensive cultivation, control of diseases and pests, irrigation, fertilization, and mulching or green manuring to increase the organic matter of the soil.

It has been demonstrated that the quality of oranges, pomelos, lemons, and grapefruits raised locally, when properly cured and prepared for the market, compares favorably with that of the imported products, and the consumers do not have to pay the high prices of the imported fruits for the local products.

THE TRUCK-CROP SITUATION

The production of root crops and vegetables in the Philippines during 1930 is shown in the following table:

Crops	1930		
	Hectarage	Production (kilos)	Value
Roots:			
Sweetpotatoes.....	89, 300	190, 066, 890	₱3, 801, 300
Cassava.....	15, 229	20, 604, 840	412, 100
Gabe.....	11, 870	23, 217, 720	696, 530
Irish potatoes.....	335	750, 400	48, 650
Tugui.....	2, 661	5, 114, 400	122, 740
Ubi.....	9, 410	19, 679, 130	187, 160
Total.....	128, 805		5, 868, 480
Vegetables:			
Beans.....	10, 081	4, 445, 720	577, 940
Cabbage.....	1, 052	1, 604, 300	256, 690
Eggplant.....	7, 830	7, 775, 190	388, 760
Mango.....	12, 354	7, 041, 780	922, 470
Radish.....	1, 989	2, 683, 160	268, 320
Tomatoes.....	5, 687	6, 281, 430	628, 140
Total.....	39, 193		3, 042, 320

The above table shows that our most important root crop is the sweetpotato, followed by gabe. Of vegetables we produce mango, tomatoes, and beans, mostly. The value of the total production of root crops is less than ₱10,000,000, or less than ₱1 per capita. There is, of course, what we might call an invisible supply of vegetables, since only what the farmers do not need is taken to the market. Even then the amount of vegetables consumed per capita is apparently rather low. This is also corroborated by the nutrition studies made at the college of medicine and agriculture of the University of the Philippines and at the bureau of science regarding the ratio of the different foods of a representative Filipino diet, rice making up 90 per cent of such diet.

The enormous importation of vegetables into this country, which was valued at over ₱4,000,000 in 1929, could be materially reduced because the varied soils and climatic conditions in the Philippines in most places favor the growing of various kinds of vegetables.

To supply the local demand the area in these truck crops must be increased and more intensive cultivation adopted. Intensive campaigns against insect pests and diseases must be waged and trial stations established for the proper curing and selection of the products for the market with a view to maintaining their keeping qualities and attractive appearance, as is being done with similar commodities imported from abroad. Firms must be induced to establish commercial curing sheds and cold storage in centers of business, like Manila, Cebu, and Iloilo.

DIVERSIFICATION

The foregoing review of the situation of the different crops shows that coconuts and sugarcane, constituting a large part of our production, have already reached the saturation point. In the face of the present economic depression further expansion in these crops is not desirable. The expansion in rice production should also be carried out with caution, as an excessive oversupply will be inimical to our rice industry itself. The question of finding other crops suitable for our soils and climatic conditions that shall provide for further expansion of our agriculture is a very important one and merits more than passing notice. In going over the importation of tropical plant products into the Philippines which are not only capable of being produced at home but are actually being produced, though in insufficient quantities, we find that we have been importing of these products quantities valued at some ₱127,000,000 in 1929. A great deal of this we can produce more cheaply at home. This amount is over one-third of our total importation. In addition to these plant products, we are importing some ₱23,000,000 of animal products, bringing our total importation of agricultural products to ₱150,000,000. Even if there are a number of these that we can not produce economically here, so that their importation will have to continue, those that we can produce here can provide the necessary expansion of our agriculture for some years to come.

Our largest amount of business has been and will continue to be with the United States. To increase our purchasing power of desirable American articles we can turn to a number of tropical products that the United States has been importing from other countries and we have not yet produced in the Philippines but which certainly, with our diversified soil and climatic conditions, we can very well produce.

In 1929 the United States imported close to ₱3,000,000,000 worth of tropical products. The following table showing the value of the United States imports of tropical products in 1929 should be of more than passing interest:

Value of United States imports of tropical products, 1929

Farinaceous substances	₱9, 573, 422
Bananas	*72, 095, 938
Lemons	3, 328, 732
Pineapple (fresh)	4, 143, 758
Coconuts, in the shell	3, 741, 352
Coconut meat (desiccated)	7, 721, 216
Peanuts (both shelled and not shelled)	2, 931, 672
Cacao beans (raw and prepared)	*102, 542, 328
Coffee	*604, 793, 764
Tea	51, 732, 178
Spices (cinnamon and chips, cummin, ginger, pepper, nutmegs, mustard, etc.)	*37, 259, 294
Cane sugar	418, 554, 826
Rubber and manufactures	494, 841, 786
Gums, resins, and balsam (dammar, kauri, lac, shellac, turpentine, tar, camphor, chicle, balsam, etc.)	*71, 275, 092
Drugs, herbs, leaves, roots, etc. (cinchona, pyrethum, licorice root, opium, senna, etc.)	21, 161, 508
Castor beans	*12, 452, 694
Copra	48, 389, 236
Tung oil	*29, 944, 168
Coconut oil	59, 104, 412
Other vegetable oils (olive, palm, palm kernel, sesame, peanut, linseed, soybean, rapeseed)	*79, 438, 252
Essential oils (cassia, cinnamon, geranium, sandalwood, etc.)	15, 151, 192
Tobacco and manufactures	121, 235, 092
Cotton (unmanufactured)	*106, 666, 424
Cotton (semimanufactured)	11, 619, 722
Cotton (manufactured)	126, 907, 452
Jute and manufactures	*191, 977, 500
Flax, hemp, ramie, manufactures	*94, 411, 726
Unmanufactured fibers (abaca, tampico, henequen, kapok, etc.)	*80, 477, 820
Hats of straw or fiber and materials	37, 507, 780
Cork and manufactures	26, 237, 188
Soap and toilet preparations	13, 881, 546
Total	2, 961, 098, 980

In the foregoing table those products that could very well be raised in the Philippines to provide expansion for our agriculture have been marked with an asterisk. Unlike sugar and coconut oil, they would not compete with any of the American home products. The total of these tropical articles which we might produce for the United States is close to one and one-half billion pesos.

They are bananas, cacao, coffee, tea, spices, castor-beans, tung oil and other vegetable oils, cotton, jute and manufactures, ramie, and other unmanufactured fiber. We should carefully consider each of these.

We should get the necessary money to run trial plantings on a small commercial scale manufacturing of all these raw materials before we can induce local growers to go extensively into their production. With money, the bureau of plant industry should successfully initiate the promotion work. Without funds all will be idle talk.

THE CREATION OF THE BUREAU OF PLANT INDUSTRY

By legislative Act No. 3639 in January, 1930, the old bureau of agriculture was split into two bureaus, plant industry, and animal industry. The bureau of plant industry took over all the activities of the old bureau of plant production and improvement work; 1930 was devoted mostly, therefore, to the organization of the new bureau.

ACTIVITIES OF THE BUREAU OF PLANT INDUSTRY DURING THE YEAR

The three recognized lines of activities in agricultural improvement work are:

1. Quarantine, pest control, and similar regulatory service.
2. Investigation and research.
3. Extension service.

PEST-CONTROL WORK

The coconut leaf miner outbreak in Laguna, Tayabas, and Batangas practically consumed the entire time of the plant sanitation division. Indeed, other projects not only of this division but also those of other divisions had to be subordinated to the leaf-miner campaign. A considerable number of men from both the extension and plant investigation divisions had to be sent to the leaf-miner area. The services of certain employees from other bureaus were also engaged.

At the beginning of the campaign last year 11 towns in Laguna, 4 in Tayabas, and 7 in Batangas, representing an area of 53,000 hectares and around 6,000,000 trees, were infested. Up to the end of the year an aggregate of not less than 10,000,000 trees had been infested. Every known method of attack was employed. Improved handling of parasites enabled the liberation of millions of these, as a result of which parasitism in many places was considerably augmented. As in serious outbreaks of other pests, it was necessary to resort to drastic measures, in this case the "laslas" and "putol." The employment of extensive trapping with cut fronds of coconut and other palms also enabled our forces to destroy large numbers of beetles. The infestation in Batangas was practically controlled in October, 1930. The situation in Laguna also became greatly improved at about the same time. Toward the close of the year the total number of trees infested in both Tayabas and Laguna was reduced to about 500,000. The lack of funds, however, greatly hampered the work.

Leaf-miner infestations during the year in Albay, Camarines Sur, Cavite, Cebu, Cotabato, Davao, Iloilo, La Union, Lanao, Leyte, Marinduque, Mindoro, Jolo, Oriental Misamis, Oriental Negros, Palawan, Pangasinan, Samar, Sorsogon, and Surigao were also attended to and controlled by the application of the methods employed in Laguna. In all these places, notably in Pangasinan, Cebu, and Iloilo, extensive outbreaks were prevented by the extensive use of the "las-las," which is greatly opposed by some people.

LOCUST CONTROL

Localized locust outbreaks were reported from Mindoro, Occidental Negros, and Isabela. These were promptly attended to and the insects destroyed before any appreciable damage to crops was done.

OTHER PEST OUTBREAKS

Other pest outbreaks which had to be fought were notably those of several species of coconut slug caterpillars, especially in Bohol, Cebu, Sulu, Sorsogon, Leyte, and Davao. Spraying was employed against these pests. Serious coconut red and black beetle infestations were reported from many Provinces. More or less serious infestations by the red scale also occurred in Iloilo, Cebu, and Pangasinan. Spraying was also extensively employed in all these places to check the pests.

Rice cutworms and armyworms also became troublesome in many Provinces. The use of calcium arsenate as dust proved effective against these pests. More localized outbreaks by rice stem borers and leaf hoppers were likewise reported and controlled.

Other pests which claimed the attention of the bureau as a whole were rats, wild hogs, white ants, and those of sugarcane, coffee, abaca, cacao, citrus, maguay, corn, tobacco, etc.

PLANT DISEASES

An active campaign had to be waged against coconut bud rot, particularly in some districts in Laguna, following in the wake of the coconut-leaf miner invasion. Other plant diseases during the year were those of rice, sugarcane, tobacco, coffee, abaca, maguay, and fruit trees and vegetables.

PLANT QUARANTINE SERVICE

During the year a total of 1,011,322 parcels were inspected in all ports of entry, namely, Manila, Cebu, Iloilo, Davao, Legaspi, and Zamboanga. Of these, 1,002,637 parcels were passed, 3,027 treated and passed, 3,957 partly selected and passed, 480 destroyed due to the presence of dangerous pests and diseases, 50 held under quarantine for observation, 930 imported under permit, 85 returned, as they were prohibited entry into the Philippines, and 126 passed after the necessary precautions, such as disinfection and fumigation, had been taken.

Important quarantine measures were adopted during the year. An administrative order was promulgated to regulate the importation of coffee from foreign countries for the purpose of keeping out of the islands a most serious insect pest of this plant, the coffee-berry borer, which is now prevalent in Java, Brazil, and other coffee-producing countries. Act No. 3767, passed at the last session of the legislature, regulates the entrance of small animals which may become plant pests.

INVESTIGATION AND RESEARCH

A large part of the investigation work has been carried out in the various agricultural experiment stations. The bureau has a tobacco experiment station at Ilagan, Isabela; a semitemperate fruit station in Baguio; a rice station at Alabang, Rizal; an abaca station at Guinobatan, Albay; a citrus station at Tanauan, Batangas; a general experiment station at Lamao, Bataan; rubber stations at Halcon, Mindoro, and Maridagao, Cotabato; and sugarcane station at La Carlota, Occidental Negros. Lands are being acquired by the bureau for more adequate and permanent experiment-station sites, among which may be mentioned the proposed Nueva Ecija rice station of 120 hectares, the Baguio fruit station of 24 hectares, the Lipa citrus-coffee station of 50 hectares, the Tayabas coconut station of over 500 hectares, and the Los Baños economic garden of over 200 hectares. Other proposed stations are in Bukidnon and Parang, Mindanao.

Among the noteworthy contributions of the bureau to agricultural science and practice are: (1) The creation of new varieties of field crops as the Apostol rice variety, the LC 25-191 and LC 22-4 sugarcane varieties, and the 147-Ilagan Sumatra tobacco-wrapper variety; (2) the introduction of valuable plants and special varieties, such as the Ramai rice variety, the Adcock and Orinoko tobacco varieties, the Calopogonium-mumunoides cover crop, Kikuyo grass, and the Cahamboro or Ecuador papaya; (3) the production of coffee and pineapple hybrids; (4) the successful production of excellent wrapper tobacco and good cigarette tobacco, the former fetching the highest price—P400 per gross quintal—ever offered in the local open market; (5) the designing of economical tools, such as the fruit picker and the rice-seedling transplanter; (6) the economical use of dynamite for farm blasting; (7) the finding of new utilization of plant products, notably that of flour from rimas fruit, saba, banana, cassava, and rice as substitutes for wheat flour in the preparation of cookies, biscuits, and cakes, of making jams and paste from the avocado without its turning bitter by heating to not more than 68° C., and of making jams and concentrated juice from citrus and a number of other fruits; (8) the successful cover cropping and top working of citrus and coconut orchards.

Special interest is now being taken in the extension of the cultivation of cotton and wheat. Many cotton varieties have been imported from America, India, and Egypt, with the view to obtaining improved varieties of cotton. These varieties are now growing at the Lamao experiment station.

Wheat has been successfully planted at the Lipa station, where its present stand is attracting the attention of many planters. It bids fair to succeed as a short rotation crop to be grown alternately with peanuts, mongo, and others in places where, because of elevation above sea level, the temperature is mild and suitable for wheat growing.

Experiments on Bermuda onions have shown that large onion bulbs can be produced here. Onion seeds can be produced in Baguio.

Investigation and research in the field of economic biology has resulted in better and more complete knowledge of the life history of the leaf miner and its hymenopterous parasites, as well as some of its predators.

The continuous studies of materials and machinery used in combating insect pests have resulted in greatly improved technique in the use of insecticides.

Life histories of other serious pests of economic plants have also been studied and improved control measures in fighting them adopted.

After the coconut leaf miner situation had shown marked improvement, research projects were attended to, especially fundamental research in entomology, plant pathology, and economic biology, in so far as available personnel and money have permitted. More painstaking fundamental work is especially needed on the pests and diseases of rice, sugarcane, abaca, coconut, coffee, citrus, and on such general pests as locusts and rodents.

THE EXTENSIONS SERVICE OF THE BUREAU

It consisted of—

(a) The distribution of seeds and seedlings of economic plants and in giving help to the planters in large-scale planting of fruit trees, such as coffee, cacao, mangoes, lanzones, and the different citrus.

(b) Conducting food-production campaigns in areas threatened by famine.

The campaign conducted by the bureau to rehabilitate Leyte after the typhoon of April 13 was a great success in more ways than one. It not only saved the people of this section of the Province from famine, but also resulted in the introduction of more productive varieties of rice, which the rice growers are now adopting and fast propagating.

(c) A campaign for the increased production of tobacco, of which the islands are importing millions of pesos worth.

(d) Direct service to individual planters by our technical men, such as in the use of dynamite in the clearing of land and in making of holes for the planting of orchard trees; in the investigation of the agricultural conditions of certain tracts of land; or of the examination of soils with the view to determining their adaptability to certain agricultural crops.

In 1930 the total distribution of the plants from different propagation stations, as well as from private nurseries established with the help of bureau agents, was as follows:

Distribution of plants during 1930

Name of plants distributed	Plants distributed by stations				
	Insular, 3 sta- tions	Provin- cial, 20 stations	Municipal, 27 stations	Private, 170 nurs- eries	Total
Avocado.....	1,260	325	60	40	1,685
Cacao.....	2,340	8,592	6,310	67,026	84,268
Citrus.....	20,794	14,172	3,277	18,173	56,416
Coconut.....	2,563	1,760	3,449	14,563	22,335
Coffee.....	83,599	225,353	40,349	336,400	735,706
Lanzon.....	4,770	2,689	2,631	5,905	15,995
Pineapples.....	16,878	1,735	344	-----	18,957
Mango.....	25,659	5,215	2,117	1,164	34,155
Miscellaneous fruit trees.....	9,243	34,271	9,040	87,230	139,784
Other economic and ornamental plants.....	29,925	-----	-----	-----	29,925
Total of fruit trees only.....	167,106	294,117	67,577	530,501	909,301
Grand total.....	197,031	294,117	67,577	530,501	1,139,226

To disseminate knowledge of modern practical methods of farming, as well as to organize planters, the staff of the bureau participated in farmers' conventions in Nueva Ecija, the Bicol regions, Leyte, and Batangas and has organized agricultural fairs, both provincial and municipal. Worth mentioning are the farmers' convention at La Granja in Occidental Negros in October, the citrus convention at Tanauan, Batangas, on December 26, and the convention at Tacloban and Legaspi in June and October, respectively. In these conventions exhibits, demonstrations, and conferences were given to show the farmers how the varieties of crops that they raise may be improved.

RURAL ECONOMICS

Another extensional activity of the bureau is the organization of the rural-credit associations.

The year 1930 has been for the rural-credit work an era of greater activities and the realization of a more extensive program of economic development. Many and varied problems affecting cooperative credit were confronted.

A convention of rural-credit agents was held during the year in order to bring before them all the most important problems which need prompt solution and also to tell others about the problems which they have confronted in their field work. The convention was a real success.

The financial success of the rural-credit work during the year has been a surprise, for while there was a decrease in the circulating capital because some deposits and shares were withdrawn and dividends paid to the members, the increases in other structural items were comparatively large, to wit:

In capital stock-----	₱13, 449. 00
In surpluses-----	77, 409. 18
In reserves-----	10, 902. 13

The collection of overdue loans from the members has also been the object of an intensive campaign, resulting in the association being able to pay to the insular government the sum of ₱106,697.25.

As far as the organization of new associations is concerned, during the year intensive propaganda work was conducted in the Provinces of Oriental Negros, Ilocos Sur, and Leyte in order that those farmers who had suffered from the typhoons and other calamities might be helped. The result was that with the help of provincial and municipal officials the seed of rural credit has been sown in new territories. Four new associations were incorporated in Guihulnigan, Oriental Negros; San Estoban, Ilocos Sur; Hinunangan and Hinundayan, Leyte. The organization of rural-credit associations in Dulag and Burawen, Leyte, was also completed.

With the help of the new amendments made to the rural credit law, the coming year promises for rural credit a more extensive field for development and better result.

PUBLICATIONS

Not the least extensional activity is the publication of a journal of agriculture and of pamphlets which are distributed to many farmers.

Various scientific papers published in the issues of the Philippine Journal of Agriculture have received favorable comments from scientists in other countries. In our press-service work the bureau was accorded full support by the local press, and this is shown by the greatly increased amount of press notes published in the local dailies. Besides the press notes periodically prepared for release, special articles were also prepared and were duly published in some of the local papers and weeklies. A paper in mimeograph form, issued every fortnight, was also started to serve as an organ for the personnel of the bureau. The purpose of this paper is to keep the field personnel posted on what is going on outside of their respective districts. This has greatly improved the esprit de corps of the personnel. In nearly all the provincial fairs and farmers' conventions, especially in the Philippine carnival, the work of the bureau was presented in the form of posters, graphs, and maps, and in special articles prepared for the occasion and distributed free.

ESPRIT DE CORPS OF THE PERSONNEL

This report would be incomplete without mentioning the faithful service of the personnel of the bureau, particularly those engaged in plant-pest control work. This year's unusual outbreaks of plant pests and diseases, particularly

the leaf miner, has demanded the utmost service from the whole staff and subordinates of the bureau. Those directly engaged in the campaign were required to work overtime throughout the year, including Sundays and holidays. Although in an organization of the size of this bureau irresponsibles are to be found, yet they were comparatively very few, and those who were proved negligent in the performance of their duties were summarily dismissed from the service.

In general, the personnel responded to the overtaking exigencies of the service with the best of spirit and eagerness to cooperate and sacrificed themselves to the utmost for the good of the public.

BUREAU OF ANIMAL INDUSTRY

IMPORTANT ACTIVITIES OF THE YEAR

RINDERPEST CONTROL

In any program for livestock improvement the most important fundamental factor is the control of dangerous communicable animal diseases. And so in any country where devastating diseases prevail that are liable at any time to become rampant there is no incentive for people to go to the trouble and expense of building up better flocks and herds. Until very recent years the biggest economic problem that faced the agriculture and animal industry of this country was the control of rinderpest.

Of the achievements of the year particularly worthy of note is the successful campaign that has been waged against rinderpest. During the year this disease has been kept down to a minimum, and the deaths resulting from this plague represent the smallest loss during any calendar year for which data are available. The important agricultural regions of the islands have not suffered any severe epizootic, and the campaigns have been almost entirely confined to the Mountain Province, the mountainous regions of the Cagayan Valley, Nueva Ecija, and southern Occidental Negros. The gains made on the disease during the past seven years have not only been maintained but further consolidated, and only the fact that the cattle and carabaos in the present infected regions are in a semiwild state has prevented more complete control of the disease. Their wildness, of course, renders it difficult to vaccinate the majority of the animals in such infected regions and also in many cases nullifies the efforts of local quarantines. Taking into consideration the geography and topography of these infected areas and the customs and habits of many of the people with regard to the keeping and handling of animals, the progress made in many cases is bound to be somewhat slow and at times discouraging. In other words, it resolves itself into a campaign of attrition.

Rinderpest vaccine has been so improved and the methods of transporting it to the remote regions so much better developed that it has been possible to carry on the work of vaccination even in the very isolated regions throughout practically the entire year. This has been a very important factor in keeping the disease under control. Experience has proved time and again that, when the vaccine is promptly applied to the majority of the animals in an infected district, the disease is soon conquered.

The campaigns now being pursued are not spectacular, and little notice is taken of them in the daily press. They are, however, much more difficult than similar campaigns conducted in the well-settled lowlands, and call for a great deal of sacrifice and self-denial on the part of both veterinarians and inspectors. The fact that the disease is now mostly confined to remote places, the losses are few, and very little is heard about them that might tend to make the people believe that danger from that great bovine scourge, rinderpest, is now a thing of the past. So long, however, as this disease still maintains a foothold in any portion of the country it will be a potential menace. Human nature is essentially the same the world over, and the long absence of any immediate danger is apt to bring on a false sense of security. Such a psychology can not, however, develop among those who are charged with the control of this disease; and it is incumbent upon the veterinary personnel of this bureau to hammer away at the infection, no matter how slight it may seem, in a constant endeavor to completely annihilate it. The paramount concern of this bureau for some time to come must be a never-ceasing drive

against rinderpest. In those places where the disease is making its final stand it may prove to be a good policy in the not distant future to make larger expenditures for concerted and well-organized drives which may bring about its final eradication there.

IMPROVEMENT OF LOCAL BREEDING OF HORSES

For more than 25 years the government has from time to time imported stallions of various breeds, with the laudable desire of improving the size of the native horses, thereby increasing their general usefulness. These sires have been maintained on some of the government stock farms and at breeding stations in various parts of the islands. On the whole, these introductions have not made much material impress on the size and quality of the Philippine horse in general. In certain regions quite a few half-bred individuals have been produced, but improvement has not gone beyond that stage, as the half-bred mares were seldom, if ever, bred back to their sire or to other sires of the same breed. In other words, the upgrading has not been consistently continued, and in consequence the improved blood in the half-bred animals has been quickly assimilated by the native.

On the last day of 1929 six Arab stallions arrived from Bombay, India. These animals are now at the Alabang stock farm and at breeding stations in the Provinces of Batangas and Cebu. There is a limited number of half-bred mares at the Alabang stock farm that have been bred back to sires of their respective breeds, and there will be some three-quarter-bred colts foaled during 1931.

In the Provinces of Batangas and Cebu a number of half-bred colts will be dropped during the year, and it will be our policy to try to induce the owners of the half-bred mare colts to mate them when they come old enough to sires of the same breed in an endeavor to carry on the upgrading. It is believed that there will be a market in the future for horses that are sufficiently large and have the quality necessary for military purposes if they can be obtained in sufficient numbers.

CAMPAIGN FOR GREATER POULTRY AND EGG PRODUCTION

During the early part of the year a campaign to encourage greater poultry and egg production was started. An animal husbandman with two assistants is in charge of the work. He is being assisted in every way possible consistent with our financial status, bearing in mind that no special appropriation or allotment of funds was made for a project of this nature. The general idea is to encourage backyard poultry raising and demonstrate proper methods of housing, care, feeding, and breeding, giving all possible assistance to those who desire to raise chickens on a large scale. A great deal of interest and enthusiasm has been aroused in the minds of many and numerous requests for information and assistance have been received. But the animal husbandman in charge of the work states that, in spite of this enthusiasm, the people in general have been slow in adopting new ways and they have to be shown and retold before they understand and are actually convinced. In other words, a great deal of "follow up" will be necessary.

In this connection it is necessary to take full cognizance of local conditions and customs. A conservative estimate indicates that not less than 75 per cent of the chickens and eggs produced in this country are from the hens in the small towns and barrios. Not much money is spent on feeding or caring for them; they come from generations of hustlers and find most of their own living. Many of these hens will probably not lay more than 30 eggs each year. However, comparatively few of these eggs or chickens are used by the country people themselves, but are sold for ready cash. It is a rather anomalous situation that in the last 20 years chickens for table purposes have almost doubled in value, while the price of eggs has not increased proportionately. The people in the barrios will have to be encouraged to raise more hens and fewer roosters and shown how to keep their chicken premises free from mites, which are one of the poultry industry's worst enemies. By raising more hens and disposing of surplus roosters, the egg production per capita of chickens would automatically become higher, and this might stimulate many to replace their surplus males with egg-laying hens. Purely commercial poultry and egg production is a specialized business and one that needs a thorough knowledge of all phases of the industry in order to pay a reasonable profit on the invest-

ment. It is necessary therefore to select good egg-laying birds and maintain them on the best egg-producing feed in order to get the quantity of eggs necessary to make it a paying commercial venture.

The large quantities of Chinese eggs imported retail at from 2½ to 5 centavos per egg, depending on the season of the year. It is very doubtful if commercial units can produce them for sale at less than 5 centavos per egg. This automatically puts them out of the running as a competitive factor as far as the Chinese eggs are concerned. The very cheapness of the great bulk of the imported eggs no doubt is a factor militating against increased egg production in the small towns and barrios. As a corollary of the campaign now being waged for greater poultry and egg production, a higher tariff on imported eggs seems very desirable, as otherwise it is quite likely that many who are now going into the business may be grievously disappointed.

DAIRYING IN THE PHILIPPINES

Work on this difficult project is as yet in its infancy. There are at the Alabang Stock Farm four three-quarter bred Ayrshire Nellore heifers that are now with calf by an Ayrshire bull. As to what their milk production may be, nothing can as yet be said. A few of the first cross Ayrshire Nellore cows gave what may be termed "only a fair amount of milk," the highest being a daily yield of 8 liters. Some of the second and third crosses may give a fair amount of milk, others will probably be a disappointment. There is a very long road to travel yet before anything definite can be said about the establishment of a milch breed of cattle in these Islands.

In India there are several breeds of native cattle that have been developed along milking lines and there are individuals among them that have been giving as much as 4,000 pounds of milk in one year. These cattle belong to oriental breeds raised in and accustomed to tropical and semitropical conditions, and there is thus a possibility that they might acclimatize themselves very well to local conditions and thus be a means of materially assisting in the solution of the local dairy problem.

Dairying on a commercial scale is a highly specialized industry and one which involves another big problem in feeds and feeding. Those countries that have made a success in dairying are the ones that have been able to produce the necessary feeds both abundantly and cheaply.

THE STOCK FARMS AND HERDS

The stock farms and herds were started in 1918 under the provisions contained in Act 275S, which was amended December 6, 1929, by Act 3632.

The law has for its object, among other things, the breeding and raising of large cattle and other domestic animals for sale and distribution to the public for breeding purposes.

With this end in view, every effort has been made during the past year to eventually accomplish the purpose for which the law is intended by supplying better quality sires as a result of castrating all grades, mongrels, and scrub bulls as well as inferior purebred bulls before they arrive at the age of procreation. The work is being further expedited by culling inferior cows and heifers as rapidly as possible and selling them for slaughter purposes.

There has been a general shifting of animals in the various stock farms and breeding station, and a very careful selection of sires that are being used at those stations for stock-getting purposes. The results of this work will not be apparent for a number of years, but the foundation is being laid for an enduring livestock improvement on all of the farms and breeding stations that are being operated by the bureau of animal industry.

PROBLEMS AWAITING SOLUTION

PARASITISM

Animal parasitism is a problem of utmost importance to the livestock industry of any country, but particularly so in the warm regions of the Tropics. Further investigation may show that it is a factor that limits the profitable production of certain species of livestock and poultry. Forward-looking countries are giving generous support to all phases of work having to do with the solution of the many phases of this complex problem. Soviet Russia has a

larger force of veterinary parasitologists than has the United States, all built up within the short space of 10 years. This may conceivably lead to a larger and better livestock industry in that country, which in turn may affect profoundly the trade of other cattle-producing countries.

This bureau as yet has no personnel that has had any special training in the field of veterinary parasitology. It is imperative that this handicap be remedied in the very near future.

THE CATTLE TICK

This is another livestock enemy that is present in all parts of the country, and it is a serious obstacle to the improvement of the quality of the herds. Many livestock owners are inclined to not attach much importance to the cattle tick due, no doubt, to lack of appreciation of its damaging effects. This parasite is the transmitter of the microorganism that causes splenic or tick fever. In this country the acute type of this disease is rarely seen among native cattle raised under field conditions, as such animals pass through the disease while calves. They, however, harbor the protozoan in their bodies for the rest of their natural lives.

In addition to its relation to tick fever, the tick is very injurious to cattle as an external parasite. Cattle just in from the ranges with their hides covered with these pests can be seen at the Manila slaughterhouse any day. Such animals are in almost all cases thin, weak, and stunted. They have been feeding countless millions of ticks with their blood since the time they were calves and so have never had a chance to grow. One has but to note the difference between Batangas cattle and the small tick-covered animals that come from Mindoro, Marinduque, and other contiguous islands. These cattle all come from the same basic stock, but the Batangas bullock weighs twice as much as his cousins.

Batangas is a thickly settled Province without any extensive grazing area, and the cattle there are, in the main, hand raised, and the owners have learned that it pays to keep the ticks pretty well picked off. This also applies to the cattle of the Ilocos Provinces and Pangasinan. It must not be forgotten that the native cattle have many good qualities which can be brought out by freeing them from ticks and improving ranch practices. The time has arrived when the Government as well as the owners of livestock must begin to give more attention to the problem of the cattle tick.

FEEDS AND FEEDING

A corollary to the production of better and more useful types of economic farm animals is the production of more and better feed to sustain them. This fact is being brought home forcibly every day in connection with the campaign for increased poultry and egg production. It will make itself even more apparent as more intensive work progresses toward the development of the local dairy industry. This office is handicapped in not having a single specialist in this branch of animal industry. That is a defect that it is recommended be taken care of in the preparation of the Budget for the ensuing year.

LIVESTOCK

The short period elapsing between the end of the year and the date scheduled for presenting this report makes it impossible to finish the compilation of the data for the year 1930. For this reason the figures released in this report are as usual, one year behind; that is, they are for December 31, 1929.

Large animals (carabaos, cattle, and horses).—Conditions as to these animals during the year 1929 were generally good. The rates of increase for Philippine Islands in the number of these animals being 2.03 per cent for carabaos, 5.46 per cent for cattle, and 2.30 per cent for horses, as compared with those recorded in the preceding year, 1928. The total number of carabaos, cattle, and horses for the Philippine Islands registered during the year 1929 were 1,953,964, 1,155,921, and 341,169, respectively, as against 1,915,060, 1,096,068, and 333,480 for 1928. Of the 50 Provinces including the city of Manila 34 registered increases in the number of carabaos, 38 in the number of cattle, and 29 in the number of horses.

Births.—The rates of births for this year, 1929, were 12.75 per cent for carabaos, 17.25 per cent for cattle, and 13.30 per cent for horses, as against 13.132, 17.65, and 13.21, respectively, for 1928, the rates of increases for Philip-

pine Islands in the number of births of these animals being 5.71 per cent for horses and a decrease of 2.80 per cent for carabaos and 2.32 per cent for cattle, as against 7.70 per cent, 3.90, and 1.06 per cent, respectively, for 1928. The total number of births of horses, carabaos, and cattle for the Philippine Islands recorded during the year 1929 were 44,356, 244,182, and 189,093, respectively, as against 41,961, 251,217, and 193,475 for 1928. In this connection attention is invited to the fact that both in 1929 and 1928 as per revision there was found a general decrease of rates of births for these animals, as seen above. These decreases did not, however, affect materially the general yearly trend of increases in the number of animals. Of the 50 Provinces, including the city of Manila, 24 registered increases in the number of births of carabaos, 29 in the number of births of cattle, and 33 for horses.

The total number of deaths from diseases of carabaos, horses, and cattle for the Philippine Islands obtained in 1929 were 8,135, 3,822, and 4,552, respectively, as against 6,003, 2,355, and 4,493 for 1928.

Animals slaughtered.—In 1929 there were increases of 40.47 per cent in the number of horses slaughtered for food purposes, 17 per cent for carabaos, and 0.22 per cent for cattle, as compared with 1928.

The number of head slaughtered in the islands during 1929 was 58,200 carabaos, 5,814 horses, and 118,558 cattle. The corresponding figures for 1928 were 49,745, 4,139, and 118,300. Of the 50 Provinces, including the city of Manila, 36 registered increases in the number of carabaos slaughtered for food purposes, 26 for horses, and 23 for cattle.

The consumption of fresh beef, native and foreign combined, in the city of Manila increased to 0.08 per cent in 1929 as compared with 1928: native beef was consumed in greater amount than foreign, there having been 5.82 per cent native beef as compared with foreign beef for 1929 and 10.46 per cent native beef as compared with foreign beef for 1928.

During the year 1929 there were slaughtered 26,032 head, giving 3,617,077 kilos of beef, of which amount native cattle contributed 16,840 head, representing 1,859,729.5 kilos, and the remaining was mostly Australian and Indo-Chinese. In 1928 the consumption of beef amounted to 3,362,314.5 kilos from 22,566 head, of which 14,512 head were native, giving 1,764,733.5 kilos, and 8,054 head were foreign (Australian and Indo-Chinese), giving 1,597,581 kilos.

The average weight of the native cattle slaughtered in 1929 was 110 kilos per head, or 12 kilos less than the average weight recorded in 1928; and the average weight of the foreign cattle slaughtered in 1929 was 191 kilos per head, or 7 kilos less than the average weight recorded in 1928.

Of the number slaughtered, 32 per cent came from Masbate, 13 per cent from Batangas, 8 per cent from Bukidnon, 6 per cent from Zamboanga, 6 per cent from Mindoro, and 5 per cent each from Ilocos Sur, Palawan, Cotabato, Romblon, and Sulu. The remainder came from different Provinces of the islands.

The average per capita consumption of beef in the Philippine Islands, including the city of Manila, for the 5-year period (1924 to 1928) was 0.85 kilo, excluding frozen beef, and 1.46 kilos, including frozen beef. The city of Manila average per capita consumption during the same period registered 10.38 kilos, excluding frozen beef, and 23.20 kilos including frozen. The first 10 leading Provinces in the average per capita consumption during this period were, in the order given: Manila, 10.38 kilos, excluding frozen beef, and 23.20 kilos including frozen; Batanes, 5.64 kilos; Tayabas, 2.12 kilos; Palawan, 2.07 kilos; Batangas, 1.98 kilos; Marinduque, 1.92 kilos; Laguna and Nueva Vizcaya, each 1.88 kilos; Ilocos Sur and Romblon, each 1.77 kilos, and Cavite and Cebu, each 1.70 kilos. The remaining Provinces fluctuated between 0.10 kilo to 1.49 kilos.

Minor animals (hogs, goats, and sheep).—Contrary to the general belief as to the prolificacy of these animals, the number of hogs, goats, and sheep in the islands for the year ending December 31, 1929, was about the same as that on 1928 and considerably smaller than that reported for the year 1927 and the years preceding. But this decrease, as already explained in the last annual report, did not really exist. That it seemed to be was chiefly due to the fact that a more accurate census of minor animals was obtained for the second time from municipal officials as to the number of minor animals in the islands. Prior to the year 1928, the figures obtained for minor animals, as already explained in last year's annual report, were rough estimates prepared by municipal officials, inasmuch as no annual census thereof was ever taken. As a result of this, they overestimated some items such as the rates of births, and there was no way to check up their information, for this office has no field

personnel to do this work. Only an annual census could remedy this defect. It should be admitted, however, that the returns of this annual census were not as complete as desired, and that in many of these returned lists omissions and duplication of figures were not infrequently found. This was due partly to lack of facilities on the part of these municipal officials to gather accurate data and partly to lack of interest and training in doing actual counting or making more careful estimates. However, arduous efforts were made during the year 1930 to analyze and examine from all angles the 1928 and 1929 figures as reported by the municipal officials, and many defects through duplications and omissions through the systematized means adopted by this office having been found, the municipal officials who had prepared the data were called upon to make the necessary corrections.

The termination of the compilation of the returns of the second annual census is just finished.

Conditions.—As to these, animals during the year 1929 were like those of large animals. Of the 50 Provinces, including the city of Manila, 34 registered increases in the number of hogs, 33 also for goats, and 27 for sheep. The rates of increases for the Philippine Islands in the number of these animals were 3.06 per cent for hogs, 4.62 per cent for goats, and 0.10 per cent for sheep, as compared with those recorded in the preceding year, 1928. The total number of hogs, goats, and sheep for the Philippine Islands registered during the year 1929 were 2,454,286, 452,249, and 124,844, respectively, as against the corresponding numbers 2,381,495, 432,870, and 124,722 for 1928.

The number of hogs slaughtered for food purposes for 1929 for the Philippine Islands recorded an increase of 8.77 per cent, 3.61 per cent for goats, and a decrease of 0.92 per cent for sheep, as compared with 1928.

The number of head slaughtered in the islands during 1929 was 815,838 hogs, 81,433 goats, and 29,029 sheep. The corresponding figures for 1928 were 750,039, 78,595, and 29,298. Of the 50 Provinces, including the city of Manila, 40 registered increases in the number of hogs slaughtered for food purposes, 22 for goat, and 17 for sheep.

The consumption of pork (hog meat) and mutton (sheep meat) in the city of Manila during the year 1929 registered increases of 3.37 per cent and 193.77, respectively, but a decrease of 17.51 per cent for goats, as compared with 1928.

The average weight per head in 1929 was 48 kilos for hogs, 10 kilos for goats, and 12.31 kilos for sheep, as against 52 kilos, 9.6 kilos, and 10 kilos, respectively, for 1928.

BUREAU OF FORESTRY

ORGANIZATION AND PERSONNEL

There were no changes in the organization of the central office except the creation of a new division, the division of forest lands and regulations, to which was assigned the handling of questions on status, classification, and the supervision of certain forms of occupation and use of forest lands and matters pertaining to regulations and legislation.

At the close of the year the whole force of this bureau consisted of 597 officers and employees, as compared with 573 in 1929, or an increase of 4 per cent.

REVENUE AND EXPENDITURES

The revenue of this bureau for the fiscal year ending December 31, 1930, amounted to ₱1,873,714.49, as against the total collection of ₱1,997,059.92 for the preceding fiscal year, or a decrease of ₱123,345.43, or 6.2 per cent. The total expenditures amounted to ₱797,597.61, which is ₱33,355.59, or 4.4 per cent, over that of the previous year. The net surplus of the bureau for 1930 amounted to ₱1,076,116.88, which represents the profit to the government for operating the bureau of forestry, or ₱2.35 worth for each peso expended by the government.

NEW LEGISLATION

Three bills were passed by the legislature during the last session—two amending certain sections of the Revised Administrative Code regarding jurisdiction of the bureau of forestry and leasing of forest lands and the third authorizing the control and administration of timber on public mineral lands.

EXECUTIVE PROCLAMATIONS

Eight proclamations issued by the Governor General during the year affect the bureau of forestry. These proclamations are: Proclamation No. 279, February 13, 1930; proclamation No. 288, February 20, 1930; proclamation No. 291, April 5, 1930; proclamation No. 293, February 27, 1930; proclamation No. 297, March 4, 1930; proclamation No. 317, June 10, 1930; proclamation No. 342, November 13, 1930; and proclamation No. 323, July 7, 1930.

LUMBERING IN GENERAL

The economic depression in the markets for Philippine lumber, both here and abroad, which started about the latter part of 1929, was keenly felt throughout the year by the entire lumber industry. For the first time in its history, the industry was seriously confronted with the problem of keeping production within the range of consumption. Wholesale lumber prices were about 20 to 25 per cent lower than those prevailing in 1929. As a consequence, seven sawmills and one lumber company without sawmill but using machine logging were forced to close down temporarily. As an expediency measure to meet this situation, at the suggestion of this bureau to the various companies, night shifts were eliminated and the number of days of operation reduced in most of the mills. This with the resumption of the building activities in Manila helped to ameliorate to a certain extent the deplorable condition of the local market. However, in spite of the general curtailment of production, there were in stock at the various mills at the end of the year over 39,000,000 board feet of lumber.

On the other hand, the situation in the usual principal foreign markets for Philippine lumber was very unsatisfactory throughout the year due to the world-wide economic depression. In China the situation was aggravated by internecine warfare and depreciation of local currencies, while the Australian lumber market was practically lost due to the increase of duties on Philippine lumber. In the United States, lumber dealers were but able to move their heavy stock of Philippine hardwoods very slowly, as there was little demand. The increased activities of the cotton mill industry in Japan, however, had somewhat allayed the unfavorable market conditions in that country as far as Philippine lumber trade is concerned.

UTILIZATION OF FOREST PRODUCTS

There were cut and invoiced during the year 1,460,612 cubic meters of timber as compared with 1,658,548 cubic meters cut last year, or a decrease of 12 per cent. Minor forest products licenses also show considerable decrease of activity during the year.

LICENSE AGREEMENTS

Number issued.—Three 20-year license agreements were granted during the year. A brief description of each of these agreements is given below:

Philippine Lumber Manufacturing Co.—This is a Chinese-American corporation with a capital stock of ₱1,000,000, of which ₱600,000 has been subscribed and paid for. Its concession, which was granted on June 24, 1930, is located in the Province of Camarines Sur, and comprises an area of about 46,807 hectares, of which about 29,707 hectares are covered with accessible commercial timber of the Dipterocarp type with an average stand of 200 cubic meters per hectare, roughly. About one-half of the total area of this concession is good for agriculture.

The area covered by this agreement was formerly occupied and operated on a small scale for about 20 years by Mr. Fanstino Garoia Matta, a Filipino licensee. In 1927, the business interests of this licensee on this area were sold to its present occupant.

Under the terms of its agreement this company is required to cut yearly a minimum of 72,000 cubic meters, government net scale, or 18,000,000 board feet, but not exceeding 192,000 cubic meters, or 48,000,000 board feet and to maintain a modern sawmill with capacity to manufacture at least the required minimum cut of lumber per year. The mill now being operated by the company has a capacity of 50,000 board feet a day, one shift.

Atlantic, Gulf & Pacific Co. of Manila.—This is a well-known American company that has been doing business in the islands since 1909. It has a

capital stock of ₱1,200,000, all paid. Its license agreement was approved on August 7, 1930, and covers an area, which is located in the Province of Camarines Norte, of about 71,051 hectares, of which about 61,359 hectares are covered with timber. The stands in this concession are estimated to run about 170 cubic meters, average, per hectare.

This concession covers a comparatively rough country, and there is no feasible way of exploiting the timber existing therein except by the use of machine-logging methods. About one-seventh of the total area of the concession is considered suitable for agriculture.

Previous to the granting of this concession the company had been operating under an ordinary timber license in the municipalities of Capalonga and Mambulao, Province of Camarines Norte.

Under the terms of its license agreement the company is required to cut a yearly minimum of 60,000 cubic meters of timber, log scale, or 15,000,000 board feet, but not exceeding 192,000 cubic meters, or 48,000,000 board feet, and to maintain a modern sawmill with capacity to manufacture at least the required minimum cut of lumber. The company is at the present time only operating a small circular mill for construction materials, although a big band mill is expected to be put up in the near future. Considerable investments had already been made by the company in the construction of logging railroads and the building of a wharf adequate for ocean-going steamers.

Anakan Lumber Co.—This is a Spanish-Filipino corporation with capital stock of ₱1,000,000, the major part of which has already been subscribed and paid for. Its concession was granted on February 7, 1930, and it covers the same area which was formerly occupied by Mr. Severiano Arregui under ordinary timber license. It is located in the Province of Oriental Misamis, and covers an area of about 36,969 hectares, of which about 33,462 hectares are covered with timber. The stands in the timbered portion of the concession run, roughly, about 150 cubic meters, average, to the hectare. A great portion of the concession is potentially agricultural land. This concession is in the vicinity of thickly settled regions of the islands.

Under the terms of its agreement the company is required to cut a minimum of 6,000 cubic meters of timber, log scale, the first year, 15,000 cubic meters the second year, 25,000 cubic meters the third year, 30,000 cubic meters each succeeding year, and to maintain a modern sawmill with capacity to manufacture at least 3,000,000 board feet of lumber annually during the first five years, 6,000,000 board feet yearly during the next five years, and 9,000,000 board feet per year thereafter. At present the company has already invested in sawmill machineries, logging equipment, railroads, etc., over ₱600,000.

Cut.—The total cut of sawmills during the year was 1,254,922.06 cubic meters, log scale, with a mill tally of 491,443.12 cubic meters (208,371.883 board feet), as compared with 1,492,704.35 cubic meters, log scale, with a mill tally of 594,933.92 cubic meters (252,273,182 board feet) in 1929, or a decrease of 16 per cent.

Exports.—The amount of lumber and timber exported during the year was only 82,551.824 board feet, with customs-declared value of ₱5,478,964, as compared with 104,275,592 board feet, with customs-declared value of ₱7,196,724, or a decrease of 21 per cent. The estimated value of lumber sold during 1930, both in domestic and foreign markets, is ₱65,000,000, as against ₱75,000,000 last year.

Grading and lumber inspection.—The total amount of lumber and timber graded this year, including minor inspections, such as tallying and rescaling of logs, was 7,085.92 cubic meters, with the corresponding inspection fee of ₱3,820.80, as compared with 7,319.67 cubic meters, with the corresponding fee of ₱3,568.22, in 1929.

ORDINARY AND GRATUITOUS LICENSES ISSUED

During the year a total of 7,079 licenses was issued, as against a total of 7,739 granted in 1929, or a decrease of 659. Of the 7,079 licenses granted, 2,049 were commercial timber licenses, 2,632 ordinary minor products licenses, 119 public gratuitous licenses, 16 miner's gratuitous licenses, and 2,263 private gratuitous licenses.

Bond deposits and license fees.—The total amount of fees collected on gratuitous licenses during the year, including fees for certified copies of licenses, was ₱4,878.36.

MINOR PRODUCTS LICENSE AGREEMENTS

At the end of the year two minor forest products license agreements were in force, namely, that held by the Philippine Catch Corporation in Mindanao and Sulu Islands and that of a private party in Bais, Negros Oriental. Under the former, principally mangrove bark for catch are collected, and, under the latter, mangrove firewood for local consumption.

FREE USE

In general the people have taken advantage of the free use law in the construction and repair of their residences and in their other domestic pursuits, particularly in places hit by typhoons and ravaged by fire.

FOREST VIOLATIONS

During the year there were detected 1,471 cases of violations by licensees and 2,583 cases by nonlicensees. The total amount of forest charges collected including penalties was ₱81,318.96.

Illegal cutting.—Three thousand two hundred and twenty-seven cutting cases were reported by the local forest officers in 1930 as against 1,312 cases reported in 1929. The corresponding charges on the forest products destroyed amounted to ₱296,411.43.

LAND CLASSIFICATION

Alienable and disposable land.—Field work on 58 land classification projects was completed during the year. There were also certified 58 projects involving an area of approximately 342,330.59 hectares as against 1,200,086.76 hectares of the previous year, or a decrease of 857,756.17. Of this total area certified, 269,630.13 hectares were classified as alienable and disposable as compared with 385,352.37 hectares of alienable area classified in the preceding year.

Timberland.—One hundred and eighty blocks of timberland containing an aggregate area of 72,700.46 hectares were finally established during the year as against 119, with a total area of 816,717.39 hectares, for the previous year, or an increase of 61 blocks, but a decrease of 744,016.93 hectares. Two blocks containing a total area of 4,629.80 hectares were also reclassified during the year and certified as alienable and disposable.

Certificates of public land applications.—Three thousand one hundred and forty-six requests during the year were received from the bureau of lands as compared with 2,595 for the previous year. With the 3,235 requests pending at the close of the calendar year December 31, 1929, the total number of requests on hand in 1930 was 6,381, of which 1,428 were acted upon, or 307 more than those acted upon in 1929, and are classified as follows: Eight hundred and thirty-one were certified for agriculture, 375 were certified for forestry, and 221 were returned to the bureau of lands uncertified.

SPECIAL USES OF FOREST LANDS

Applications for special permits and lease agreements.—There was a total of 12,308 applications handled during the year. Of this number, 525 were certified to the bureau of lands as against 739 in 1929; 2,215 were approved for permits as compared with 2,478 approved for the previous year; and 1,591 were either disapproved or canceled as against 1,724 in 1929.

In addition, nine applications for lease agreements were received during the year as against four applications received in the previous year, or an increase of five applications.

Applications for renewal.—Of the 2,805 applications for renewals on hand during the year, 2,514 were approved as against 1,079 granted in the previous year.

Special permits.—Eight hundred and ten special permits were issued during the year, as against 1,808 issued in 1929, or a decrease of 55 per cent. Of the 810 special permits issued, 602 were for residence, 64 pasture, 32 fishpond, 104 nipa and bacauan plantation, and 8 for other special uses.

Lease agreements.—Nineteen lease agreements were in force in 1930, as compared with 32 for the previous year, or a decrease of 13 lease agreements.

Rental charges.—A total amount of ₱34,704.39 was collected during the year as rental charges, as compared with ₱36,025.48 for the previous year, or a decrease of 5 per cent.

FOREST-LAND REGISTRATION CASES

Four thousand six hundred and forty-five ordinary and 114 cadastral cases were received from the general land registration office, as compared with 3,027 ordinary and 73 cadastral cases received in 1929. Of these, opposition to 312 ordinary and 33 cadastral cases was sustained.

PRIVATE WOODLAND REGISTRY

Forty-five forestry certificates of registration covering 88 parcels, with a total area of 9,420.5031 hectares were issued in 1930, as against 24 certificates issued in 1929 covering 41 parcels with a total area of 8,045.3642 hectares. In addition, 20 provisional certificates of registration covering 53 parcels, with a total area of 2,364.6995 hectares, were also issued during the year.

FOREST CLAIMS AND CONFLICTS

Seven hundred and seventy-seven cases of forest claims were handled during the year, as against 621 claims handled in the previous year. Of these, 253 cases were decided during the year.

In addition, 199 conflicts were handled in 1930, of which 94 were decided, leaving 105 cases pending at the close of the year.

FOREST RESERVES

There were proclaimed during the year by the Governor-General two forest reserves, namely: Mayon Volcano Forest Reserve and Lanson Forest Reserve, with a total area of 6,612 hectares. The Davao, Bulusan and Cunalum Forest Reserves, with a total area of 1,662,362 hectares, are now ready for proclamation.

COMMUNAL FORESTS

Twenty-seven parcels of new communal forests were established during the year, 24 were amended, and 8 canceled. Six communal pastures were also established.

SURVEYS AND MAPS

The surveys of three forest reserves covering a total area of 68,617.08 hectares were undertaken during the year. The field work in the Talavera River watershed and the Isthmus of Tayabas Forest Reserves is still in progress. The field work on the Albay-Sorsogon Forest Reserve was already completed but pending computation and plotting of field data.

There were also taken 16,005.704 kilometers of field notes and 2,105.490 of valuation surveys, with 4,804 sketches.

In addition, 2,330 maps and 40,134 sketches were rearranged, 358 new maps and 22,519 copies of blue prints for public and administrative use were made, and 8,243 parcels covered by special permits were located during the year in the control map.

REFORESTATION

A total area of approximately 386.682 hectares was covered during the year by an extensive planting survey of the watersheds in the Provinces of La Union and Ilocos Sur and parts of Pangasinan, Abra, Benguet, and Pampanga. Of this area, about 190,217.75 hectares were found to be in need of reforestation.

Nurseries and plantations.—The work accomplished during the year on six reforestation projects follows:

1. *Caniaw project, Bantay, Ilocos Sur.*—The seed beds were increased from 217 in 1929 to 277 in 1930.

A total of 1,870.48 liters was sown and 58.70 liters distributed or rejected, while 58.61 liters were left to be sown in 1931.

During the year, 95,084 forest-tree seedlings were raised in the nursery, 38,504 of which were planted, 8,505 died while on the seed beds, and 492 given away or condemned.

There were also planted during the year 9.77 hectares and 0.45 hectares replanted with 35,504 forest-tree seedlings. Narra was the principal species planted. Seeds of bagilumbang, lumbang, bitaog, ipil-ipil and *Tephrosia candida* were directly sown in 6.5 hectares.

2. *Tangaoan project, Piddig, Ilocos Norte*.—About 690 liters of forest-tree seeds were received and 823.10 liters were collected locally. Of this, 1,176.56 liters were sown in the nursery and 7.8 liters condemned. There were left at the end of the year 328.6 liters.

Approximately 48,500 seedlings were raised during the year but no planting was done. Seeds of bagilumbang, bitaog, buri, and ipil-ipil were, however, directly sown in the field, in about 1.5 hectares. Bamboo cuttings were planted.

3. *Talisay-Minglanilla project*.—There were sown 1,623.6 liters of seeds and 1,078 liters were distributed. No seeds were left in stock at the end of the year.

One hundred and eleven thousand and nineteen seedlings were raised in the nursery for planting, of which 102,038 were planted, 3,380 died while in the beds, and 5,601 remained in the nursery at the end of the year.

During the year 8.82 hectares were planted and 13.4 hectares replanted with 102,038 forest-tree seedlings consisting of 50 different species. Some parts of the areas planted in 1925, 1926, and 1927 were replanted. A large number of mahogany, teak, narra, molave, and malaruhut was planted. *Tephrosia candida* seeds were directly sown in the field and 15 bamboo cuttings planted.

4. *Aguo River Valley project*.—There were sown in the nursery and plantations at Ambuklao 78,095 liters of seed, leaving at the end of the year 36.88 liters to be sown in 1931.

During the year there were raised in the nursery 586,595 seedlings, mostly Benguet pine, and 159,567 of which were planted. At the end of the year 3,393 seedlings were in the nursery for planting in 1931.

The pines planted in 1928, when this project was started, are now about a meter high. The area will, however, be replanted. Those planted in 1929, of which 40 per cent are at present living, are now 70 centimeters high. Some of the areas planted in 1929 and 1930 will be replanted.

5. *Bukidnon quinine plantation*.—Three thousand three hundred and thirty-seven quinine seedlings were planted in Kaatoan and 140 quinine cuttings planted in the sample plot.

There were 117,536 forest tree and quinine seedlings and cuttings raised in the nursery. Of this number, 31,695 seedlings were planted, 6,015 distributed free to outsiders, and 15,206 died while in the seed beds. There were left in the nursery at the end of the year 64,618 forest tree and quinine seedlings and cuttings to be planted in 1931.

Most of the forest-tree seedlings were set out this year on areas previously planted. All the quinine seedlings were planted in Sitio Kaatoan. There were 14.42 hectares planted and 35.9 hectares replanted this year. Cover-crop seeds were also sown in the plantations.

6. *Mount Arayat project*.—Of the 98 hectares of two reforestation blocks in Mount Arayat Forest Reserve, about 63 hectares were partially planted this year under "Caifigin reforestation" permit system.

There were 11,273 seedlings and 527 cuttings of narra, bagilumbang, lumbang, ipil, mahogany, malaruhut, and putian planted and 18,102 holes seeded. Kapok seedlings and 3 liters of kapok seeds were planted along a portion of the boundary of the reserve so that visible landmarks along the boundary would be established to avoid further encroachment.

Cooperative planting projects.—A brief of the work accomplished on seven cooperative planting projects is given below:

Osmeña waterworks, Cebu.—Two hundred and ninety-five liters of seed were sown and 58,300 seedlings raised, mostly of akle, banuyo, ipil, mahogany, narra, and teak. During the year 2.5 hectares were planted with *Tephrosia candida* seeds and about 0.11 hectare of the older plantation replanted. Thirty hectares of the older plantation were cleaned by cutting the grass around the trees.

2. *Mira Hill, Vigan, Ilocos Sur*.—At the request of the provincial officials of Ilocos Sur, this hill was planted with ornamental plants.

The most important work accomplished in connection with the beautification of this park was the construction of an amphitheater.

3. *Cebu leprosarium, Mandawe, Cebu*.—There were received 85.21 liters of seeds, which were all sown in the nursery. About 1 hectare was planted with 2,069 seedlings, mostly of teak, molave, tulip, *Cassia florida*, bagilumbang, mango, santol, nangka, and banyan.

4. *Metropolitan water district*.—In cooperation with the Metropolitan water district, a forest nursery was opened in May, 1930, below Lamesa Dam of the

Novaliches Watershed, a part of the water supply of the city of Manila. Seed beds were constructed and sown with about 317 liters of seeds. About 6,500 seedlings of baglumbang, lumbang, ipil, malaruhut, narra, and putian were planted on an area of about 6 hectares. Seeds of ipil-ipil, *Crotolaria* sp. and *Tephrosia candida* species were also directly sown on about 5 hectares.

5. *Cadwell-Gibson Lumber Co.*—The narra, molave, teak, and mahogany seedlings planted last year were growing vigorously. These were planted near the logging camp. The balsa and the ipil-ipil seeds directly sown and germinated. Some of the balsa were about a meter high. The other forest seeds sown directly in the field in 1929 failed to germinate. There were 6 hectares planted and seeded with 6,000 seedlings and 6,000 seeds of lumbang, bitaog, teak, and balsa.

6. *Intiway Creek, Malaybalay, Bukidnon.*—Eight hectares of the watershed of the Intiway Creek, the source of the water supply of Malaybalay, Bukidnon, were planted in cooperation with the local government. During the year, 1,520 seeds of teak, 17 liters of *Tephrosia candida*, 3,691 seedlings of narra, and 1,000 of mahogany were planted. These seedlings were furnished from the nursery at Impalutao, Bukidnon.

7. *Watershed of Mahagnao Creek, Cagayan, Oriental Misamis.*—A forest nursery was opened where forest tree seedlings are raised for planting the watershed of Mahagnao Creek, the source of the water supply of Cagayan, Oriental Misamis. This is in cooperation with the municipal government of Cagayan.

WORKING PLANS

Reconnaissance.—Five important reconnaissance projects were undertaken during the year, preliminary to the proper management of the forest area covered as follows:

The forests on both sides of the Dinalupihan-Olongapo interprovincial road, Province of Bataan;

The forests in Magapit and Nasiping Mountains, Gattaran, and Lal-lo, Cagayan;

The forests of Ragay, Lupi, and Sipocot, Camarines Sur, and Basud and Daet, Camarines Norte (partly covered by a 20-year license agreement);

Areas in need of reforestation in the Province of Iloilo; and Talavera Watershed Forest, Province of Nueva Ecija.

Permanent sample plots.—The third annual measurement of the sample plot in the Atimonan Forest Park, Province of Tayabas, was made in May, 1930. After the fourth and fifth measurements the growth data will be correlated.

FOREST IMPROVEMENTS

In conjunction with the work in the school of forestry improvements in the Makiling National Botanic Garden were made. A portion, designated as Pill Block, was placed under intensive management. A 1-kilometer automobile road from the school of forestry into the forest was constructed, with about 5 kilometers more surveyed and definitely located. Rest houses were built and a telephone line is under construction.

RESEARCH

Among the more important work along research lines are the following:

Forest investigation.—Completion of various tables showing growth of unit areas, eight commercial species, pure stand of bagtican and trees in the plantation; soil study; study of propagation of narra by cuttings; study of effect of inoculating the soil on the growth of Benguet pine; study of effect of some common fertilizers on the growth of forest trees; study of effect of length of storage on the viability and germination of seeds; preparation of volume tables; collection of bark of different trees for analysis of their tannin content; collection of roots and stems of *Derris eleptica* for chemical test; collection of various medicinal plants for phyto-chemical study; and the completion of report on the propagation of cuttings by means of bottom heat; the effect of the removal of nurse seed or wolf trees; and study of some members of the mistletoe family destructive to trees.

Forest products.—Continuation of durability tests at Mount Makiling National Botanic Garden; tests for resistance of drywood termites in the wood pile in the Manila office; examination of durability tests of railroad ties located in Mabalacat and San Fernando, Pampanga, and tests for resistance to marine wood borers in Mariveles, Bataan; study of forest insects in five mills operating in Zamboanga; study of the seasoning qualities of woods of 75 species; studies of woods suitable for the manufacture of "bakia," or wooden shoes; studies in tapping Benguet pine; investigation of rattan and almaciga supply in the Cagayan Valley; studies of structure of Philippine woods; completion of report on the relation of the green weight of barks to the green volume of wood of Pototan and Bacauan; the percentage of cortex and moisture content from green to air-dry state of Pototan bark based on the green weight; and completed reports on forest minor products; namely, Philippine cinnamon, St. Ignatious's bean (*Strychnos ignatii* Berg.), *Amorphophalus*, and extraction of Buntal fibers.

BUREAU OF LANDS

ADMINISTRATION AND PERSONNEL

Personnel.—During the year there were 137 appointments made to permanent positions and 421 to temporary positions, while the separations among permanent employees were 88 and among temporary 229, as may be seen from the following table:

	Per- manent	Tem- porary	Total
Total number of employees on Jan. 1, 1930.....	741	581	1,322
Appointments made during the year.....	137	421	558
Total number of employees during the year.....	878	1,002	1,880
Separations from the service during the year.....	88	229	317
Personnel of the bureau of lands on Dec. 31, 1930.....	790	773	1,563

NOTE.—The laborers, sketchmen, chainmen, rodmen, linemen, etc., in the division of surveys are not included in the table.

Documents under the custody of the bureau.—The following is a list of the kind and number of the valuable documents under the custody of this bureau as of December 31, 1930:

Kind	Number	Kind	Number
Public lands records.....	269,392	Plans of isolated surveys.....	151,354
Forfeited lands records.....	134,940	Field notes of cadastral surveys.....	9,200
Judicial records.....	67,757	Cadastral maps.....	8,884
General records.....	39,705	Cadastral computation books.....	13,000
Spanish lands records.....	25,417	Mineral lands records.....	3,500
Records of isolated surveys.....	135,333		858,482

Correspondence.—During the year 1930 there were received in this office through the mails 118,231 letters as against 111,572 received during 1929, and there were released in 1930, 342,924 pieces of correspondence as against 327,898 sent out in 1929.

ADMINISTRATION OF PUBLIC LANDS

PUBLIC LANDS CONCESSION

The bureau acted upon a greater number of public lands applications in 1930 than in 1929. This, of course, means increased work in the central office and in the field.

The following comparative table shows the disposition made in 1929 and 1930 of the lands of the public domain through the different forms of concessions allowed under Act No. 2874, as amended, giving the number of applications of each kind, as well as the area in hectares covered thereby:

Kind of application	1929		1930	
	Number of applications	Area in hectares	Number of applications	Area in hectares
Homesteads:				
Received.....	13,903	236,615.6819	12,300	209,680.5848
Rejected.....	8,275	143,475.6940	13,914	232,554.7147
Entries allowed.....	9,160	137,257.5165	14,175	202,293.9832
Canceled.....	1,312	18,332.1402	1,612	23,166.6046
Patents issued.....	1,493	17,699.8801	1,888	22,365.5496
Reinstated.....	136	2,535.5741	117	1,811.1256
Pending.....	56,834	918,582.8885	41,128	694,734.3077
Transfer of homestead rights:				
Received.....	161	2,187.6664	293	3,628.7103
Approved.....	155	2,130.2753	253	3,193.9328
Disapproved.....	14	209.1001	1	5.0800
Pending.....	409	5,175.9560	448	5,605.6535
Free patents:				
Received.....	2,115	13,963.5331	1,491	9,223.2711
Rejected.....	2,864	8,169.8462	2,797	16,202.6532
Entries allowed.....	2,203	10,375.5959	6,424	28,045.1849
Canceled.....	226	423.3954	273	700.3890
Patents issued.....	393	1,656.3761	715	2,511.9206
Reinstated.....	1	.3572	3	21.6325
Pending.....	18,227	99,515.3910	10,499	64,510.9565
Sales (agricultural):				
Received.....	1,837	123,461.8143	1,559	102,124.5231
Rejected.....	1,185	67,370.0866	1,296	71,323.9694
Awarded.....	183	9,789.1723	218	11,157.7961
Canceled.....	27	288.2324	35	461.1759
Patents issued.....	69	3,188.2410	50	638.7309
Reinstated.....	8	410.2625	15	538.4709
Pending.....	5,789	333,234.1398	5,849	353,415.3683
Transfer of sales rights:				
Received.....	8	322.7473	2	33.5467
Approved.....	30	430.1720	2	161.5467
Disapproved.....	3	23.2500		
Pending.....	13	329.8538	13	201.8538
Sales (nonagricultural):				
Received.....	986	405.2903	1,239	194.3744
Rejected.....	176	206.6322	465	211.7648
Awarded.....	57	9,4520	203	23,5401
Canceled.....	1	.0840	6	1.5193
Patents issued.....	1	1.0981	4	.3547
Reinstated.....	3	.1495	6	9.4159
Pending.....	2,029	1,119.3847	2,606	1,087.8701
Transfer of sales rights (nonagricultural):				
Received.....	1	.0322	3	.1949
Approved.....	1	.0322	2	.1697
Pending.....	1	.7246	2	.7498
I. G. P. sales:				
Received.....	99	64.3400	42	76.3016
Rejected.....	16	40.5941	42	89.0836
Awarded.....	40	48.3585	15	3.1701
Canceled.....	2	20.4225	6	.5346
Patents issued.....	6	.0908	4	.0886
Pending.....	379	1,656.6251	364	1,640.6730
Transfer of I. G. P. sales rights:				
Received.....	19	1.0632	9	.2782
Approved.....	12	.6636	9	.4302
Pending.....	7	.3996	7	.2476
Town-site sales:				
Received.....	340	37.7338	208	30.9761
Rejected.....	60	8.0810	42	4.2644
Awarded.....	61	11.9378	60	7.7454
Canceled.....	9	.8957	6	.5077
Patents issued.....	3	.6455	14	3.4813
Reinstated.....	2	.0875	1	.1400
Pending.....	504	148.6015	610	167.5678
Transfer of town-site rights:				
Received.....	4	2.5405	3	.5025
Approved.....	3	2.5026	4	.5400
Pending.....	1	.0379		

Kind of application	1929		1930	
	Number of applications	Area in hectares	Number of applications	Area in hectares
Special purchase:				
Received.....	59	1.9922	11	.2990
Rejected.....			1	.0075
Awarded.....	59	1.9922	10	.2915
Deed of sales executed.....			3	.0868
Forfeited land sales:				
Received.....			42	527.8939
Rejected.....			1	32.7653
Awarded.....			27	181.1821
Pending.....			14	313.9465
Lease (agricultural):				
Received.....	435	134,837.7549	350	92,090.0490
Rejected.....	273	57,757.8346	477	104,482.4376
Awarded.....	7	2,493.0336	19	5,658.6970
Canceled.....			4	2,129.2491
Reinstated.....	5	2,047.7500	5	2,195.0000
Pending.....	1,774	461,431.5828	1,633	445,573.4972
Transfer of leasehold rights:				
Received.....	6	3,727.6879		
Approved.....	6	3,727.6879	1	552.8091
Pending.....	6	1,972.1739	5	1,419.3648
Lease (nonagricultural):				
Received.....	200	55.6754	94	19.0941
Rejected.....	150	13.3348	94	23.2988
Awarded.....	1	.0256	4	.4086
Reinstated.....	2	.0490		
Pending.....	663	368.0124	659	563.4111
Transfer of leasehold rights (nonagricultural):				
Received.....			1	27.0000
Approved.....			1	27.0000
Pending.....				
I. G. P. lease:				
Received.....	4		1	
Rejected.....	4		4	
Reinstated.....				
Pending.....	44		41	
Transfer of I. G. P. lease rights:				
Approved.....			1	.2500
Pending.....	1	.2500		
Reclaimed land lease:				
Received.....	10		3	
Rejected.....	3		7	
Awarded.....			6	124,722.7200
Canceled.....			3	18,633.7200
Pending.....	39		29	
Transfer of reclaimed land lease rights: Approved.....	1	.0307		
Foreshore lease:				
Received.....	230		222	
Rejected.....	37		103	
Awarded.....	4	4.3959	4	126,101.0000
Canceled.....	1			
Reinstated.....	1		2	
Pending.....	522		639	
Transfer of foreshore lease rights:				
Received.....	1	1.8000	1	.0556
Approved.....			1	.0556
Disapproved.....	1	1.8000		
Pending.....	1	.0259	1	.0259
Forfeited land lease:				
Received.....			2	30.5926
Rejected.....			1	4.0000
Pending.....			1	26.5926
Revocable permit:				
Received.....	523		317	
Rejected.....	10		83	
Permits issued.....	289		433	
Permits revoked.....	2		159	
Reinstated.....			1	
Pending.....	820		621	

¹ Square meters.

Public lands investigations.—A comparison of the work accomplished in public-lands investigations during the years 1929 and 1930 is given in the following table:

Kind	Executed		Pending	
	1929	1930	1929	1930
Preliminary.....	30,789	31,431	18,399	13,277
Final.....	10,088	11,197	5,866	4,158

Forfeited properties.—At the end of the year 1930 there were on file in this bureau 80,691 certificates of forfeiture received from the provincial treasurers all over the islands.

The number of applications for repurchase of forfeited properties received and approved during 1930 as compared with those received and approved in 1929 is as follows:

	1929	1930
Applications for repurchase received.....	4,956	1,250
Applications for repurchase approved.....	5,436	1,523

The decrease manifest in the figures given above may be attributed to the economic depression that is gripping the world.

AGRICULTURAL COLONIES

The Abulog and the Bohol agricultural colonies continue to be administered by the bureau of lands. As the work of this bureau with respect to these colonies consists mainly of collecting the debts of the colonists to the government, not very much could be said about them in this report.

There is still due the government from the colonists of Abulog the sum of ₱34,085.58 and from the colonists of Bohol the sum of ₱13,149.68.

MINING AND MINERAL LANDS

MINING ACTIVITIES

Benguet mineral district.—As in previous years, the Benguet mineral district led all other districts in the production of minerals and in the development of mining claims during 1930. The principal activities in this district during the year may be briefly summarized as follows:

Benguet Consolidated Mining Co.—The year 1930 has been one of marked progress at Antamok. The new power plant at the Agno River, with its two 550-kilowatt turbines, went into operation in January, thus eliminating the necessity of constantly using the Diesel engines at Antamok.

The drain tunnel, which tapped the shaft at the 700-foot level, has been extended to a total length of 8,716 feet, with considerable lateral development work from it. The shaft was sunk to the 1,130-foot point, with stations at the 800, 900, 1,000, and 1,100 foot points. Development has been vigorously pushed throughout the mine, with favorable results. Ventilation raises have been driven and fans installed to improve working conditions. The number of men employed has been increased from about 800 to over 1,100. A number of new houses for employees have been built. A new road has been constructed, connecting Antamok with the Bagulo-Itogon road. Mill tonnage has been raised from 9,000 to 10,500 monthly, and the recovery has been raised to 95 per cent. The output for this year is about ₱3,600,000.

The company paid ₱1,000,000 as dividends to its stockholders on December 20, 1930. The dividends represent earnings of ₱0.40 per share.

Balatoc Mining Co.—The production for this year is about ₱2,500,000 worth of gold and silver. The development program of cutting on the 1,500 and 1,700 levels to the main veins is progressing right along. The company has also started development to the west of the Batuan Creek on their main veins.

The improvements at the mine during this year are greater and cheaper handling of ore from the mine and mill and teaching the laborers at the mine the use of drilling machines. Also a schedule of wages has been adopted so as to keep the men permanent.

At the mill more machinery for securing better extractions were put in by the company. The tonnage this year has averaged 180 tons per day with an extraction of 90 per cent.

Ore averaging ₱1,000 a ton was mined and milled at Balatoc during December, 1930. It came from the bar lode at the 1,200-foot level.

A school building and assembly hall and a hospital have been built.

Itogon Mining Co.—The total production of the company during 1930 is about ₱500,000.

During the year an extensive development work has exposed a large tonnage of ore on two lodes. The company also purchased and practically completed the installation of a new Diesel engine power plant and other machinery designed to increase the milling capacity to about 150 tons of ore per day.

The construction of an assay office was completed in December, 1930. The plant has facilities for testing the value of approximately 300 samples of ore per day.

A 60-foot bucket elevator has been installed in the mill. This elevator, which has a capacity of 200 tons a day, carries ore from the crushing plant to the sliming plant.

The company has installed a new power unit of 220 horsepower in the mill. The new Simons cone crusher, the only one in use in the Philippine Islands, is now in operation. New classifiers and extra agitators have been installed. The mill has also been electrified.

Baguio Gold Mining Co.—This company started operation during the year 1930. It is capitalized at half a million pesos. Its properties are situated in Tuding in the headquarters group. Fifty men are working in two shifts, driving a tunnel 180 feet below the old workings. The work will continue day and night till the tunnel is driven 835 feet.

Gold Creek Mining Association.—This association was recently organized for the purpose of developing ore on a group of nine mineral claims in the Barrio of Gomok, Itogon, Benguet. A fund has been raised and work has already been commenced. Surface indications on these claims give promise of possible pay ore at depth.

The Angat mineral district.—The new mining region discovered in Angat, Bulacan, in 1929 has proved at least to be worthy of a continuous prospecting and development work during the year. The main prospecting and development works were done by the Ipo Mining Co., and the Salacot Exploration Mining Co. Development work consisting of tunnels, shafts, drifts, trenches, open cuts, and cross-cuts were done on some of the most important claims in this district during 1930.

SURVEYS OF MINERAL LANDS

Mineral land surveys are made for location, patent, leases, and for other purposes. The following tables show the number of claims and the areas of mineral lands surveyed for the last five years:

Surveys	Number of surveyed claims				
	1926	1927	1928	1929	1930
Location.....	64	9	41	19	28
Lode patent.....	2	8	2	4	2
Placer patent.....			1	1	1
Coal leases.....					
Petroleum leases.....					
Miscellaneous.....	7		4	6	
Total.....	73	17	48	30	31

Year	Surveys		Area in hectares			
	Topo-graphic	Location	Lode	Placer	Coal lease	Petroleum lease
1926.....	420	548	18.0000			
1927.....		80	69.3659			
1928.....		360	18.0000	64.0000		
1929.....	99	171	30.7936	16.6014		
1930.....		197	16.0000	27.5658		
Total.....	519	1,356	152.1505	107.1672		

DISPOSAL OF MINERAL LANDS

The disposal of mineral lands in the Philippine Islands is governed by act of Congress of July 1, 1902, as amended by act of Congress of February 6, 1905, Act No. 624 of the Philippine Commission; the coal land Act No. 2719 as amended by Act 3516; the petroleum land Act No. 2932, and the rules and regulations promulgated thereunder.

*Mining locations (act of Congress of July 1, 1902).—*During the year, 423 mining claims were located in 22 out of the 49 Provinces comprising the archipelago, as against 671 mining claims located in 22 Provinces during 1929. These 423 mining locations consist of 337 lode mineral claims and 86 placer mining claims.

The aggregate approximate area of the 423 mining claims located in 1930 is 6,855 hectares as against 5,927 hectares located in 1929. Of this total area about 2,940 hectares are covered by lode claims, and about 3,915 hectares are covered by placer claims.

Benguet leads all the other Provinces in the number and area of lode claims located during 1930, with 103 lode claims covering an approximate area of 843 hectares. Camarines Sur comes second, with 56 claims; Albay third, with 54 claims; and Camarines Norte fourth, with 29 claims, located during 1930. In placer mining locations, Oriental Misamis comes first, with 30 locations covering an area of 1,868 hectares approximately.

The number of patents, permits, and leases in force on December 31, 1930, as well as the areas in hectares covered thereby, issued under the provisions of the different mining laws are as follows:

	Number	Area in hectares
Lode patents.....	135	1,050.5878
Placer patents.....	18	376.3826
Coal patents.....	8	338.0000
Coal revocable permits.....	43	1,361.2601
Coal leases.....	5	3,054.6469
First-class Spanish concessions.....	481	3,963.8930

RECORDING OF INSTRUMENTS PERTAINING TO MINING CLAIMS

With the subdivision of the former Province of Misamis into two Provinces, Occidental Misamis and Oriental Misamis, a new mining recorder's office was automatically created for the new Province of Occidental Misamis, under the charge of the secretary of the provincial board thereof. This has increased the number of mining recorders' offices in the Philippines to 50.

During 1930 the 50 mining registries comprising the 49 Provinces of the archipelago received for record and registration 892 instruments pertaining to mining claims as against 1,194 instruments recorded during 1929.

SURVEYS

ISOLATED LAND SURVEYS

Surveys ordered to public land surveyors.—Requests for isolated land surveys are received from various sources. In general, when the applicants are private individuals or enterprises who desire to have their lands surveyed for land registration or other purposes, they are referred to private land surveyors, but in many cases, the survey has to be undertaken by the bureau of lands.

The number of surveys on hand in the field at the beginning and end of the year 1930, including those ordered and those completed during the year, is as follows:

	On hand Jan. 1, 1930	Ordered during 1930	Com- pleted Jan. 1 to Dec. 31, 1930	On hand Dec. 31, 1930
Private lands.....	82	271	270	83
Public lands.....	5, 151	7, 046	3, 151	9, 046
Miscellaneous lands.....	590	620	419	791
Total.....	5, 823	7, 937	3, 840	9, 920

At the beginning of the year there were 5,823 surveys pending from the previous year 1929, while at the end of the year there were on hand 9,920 surveys which will be attended to during the year 1931.

Comparatively, the years 1929 and 1930 stand as follows in this matter:

Year	On hand Jan. 1	Com- pleted during the year	On hand Dec. 31
1929.....	5, 496	2, 625	5, 823
1930.....	5, 823	3, 840	9, 920

The computation work performed by the bureau is increasing from year to year. Comparing results in 1930 with those in 1929, the increase represents an improvement of 42.93 per cent in the number of surveys and 42.92 per cent in the number of parcels.

The following tables show comparatively the number of surveys finally completed during the years 1929 and 1930:

Kinds of surveys	1929			1930		
	Number of surveys	Number of parcels	Area, in hectares	Number of surveys	Number of parcels	Area, in hectares
Private lands ¹	9, 163	21, 256	151, 395. 07	11, 315	30, 896	41, 780. 48
Private lands ²	155	323	2, 453. 27	719	1, 606	9, 412. 33
Public lands.....	1, 804	2, 139	36, 033. 24	2, 409	2, 961	43, 275. 62
Miscellaneous lands.....	675	1, 378	9, 694. 18	792	3, 664	11, 180. 70
Total.....	11, 797	25, 096	199, 575. 76	15, 235	39, 127	105, 649. 13

¹ Surveyed by private land surveyors.

² Surveyed by public land surveyors.

In the quantity of work finally completed during 1930, as compared with the work completed in 1929, there was an increase of 3,458 surveys and 14,031 parcels and a decrease in area of 93,926.62 hectares. The difference represents an improvement of 29.14 per cent in the number of surveys and 55.91 per cent in the number of parcels and a decrease of 47.06 per cent in the area.

Total work finally completed.—The work finally completed yearly on isolated and miscellaneous land surveys for the last five years is as follows:

Year	Number of lots	Area in hectares
1926.....	18, 743	217, 735
1927.....	15, 192	98, 024
1928.....	22, 948	153, 139
1929.....	25, 096	199, 576
1930.....	39, 127	105, 649

CADASTRAL LAND SURVEYS

Projects authorized by the Governor General.—The projects which have been authorized and will be surveyed in due time upon completion of those now in progress are 69 in number, comprise 282,109 parcels containing 580,936 hectares, and are estimated to cost ₡3,992,800.

New projects inaugurated.—During the year 1930 the number of projects inaugurated reached 50,864 lots comprising an area of 86,209 hectares. The following comparative table shows the number of lots and area of the projects inaugurated for the last five years:

Year	Number of lots	Area in hectares
1926.....	104,773	207,190
1927.....	88,187	267,104
1928.....	44,423	223,610
1929.....	34,099	69,171
1930.....	50,089	82,530
Total.....	321,571	849,605

Cadastral projects in progress in the field.—On December 31, 1930, there were in progress 33 cadastral projects authorized under Acts Nos. 2259 and 3527 involving an aggregate area of 818,936 hectares, as against 36 in 1929 with a total area of 764,900 hectares.

Projects completed in the field.—The field work on 16 projects involving 52,796 lots with an approximate total area of 175,493 hectares was entirely completed during the year 1930. Similar work finished in 1929 included 28 projects involving 69,425 lots with a total area of 157,853 hectares.

Cadastral survey computations.—A smaller amount of work was completed by the section of cadastral survey computations in 1930 than in 1929, which fact is shown as follows:

Year	Cases	Lots	Area in hectares	Corners
1929.....	75	73,277	193,216	636,756
1930.....	56	49,389	46,155	353,993
Difference.....	19	23,891	147,061	282,763

The percentage of decrease in the amount of work accomplished during 1930 as compared with that of 1929, based upon the number of lots, is 33 per cent. This decrease was due to the fact that from January to June, 1930, all the activities of the section were concentrated in the verification of isolated land surveys, both inside and outside cadastral projects. Sixteen employees of the section were temporarily assigned to work on the verification of surveys received in the section of isolated survey computations.

Cadastral survey maps.—Compared with the year 1929, the work accomplished on cadastral survey maps during the year 1930 has been a decided improvement, as shown by the following data:

Year	Cases	Number of lots	Area in hectares
1929.....	79	69,271	178,985
1930.....	82	72,748	148,260
Difference.....	+3	+3,477	-30,725

There was an increase of 4 per cent in the number of cases and 5 per cent in the number of lots and a slight decrease of 17 per cent in the area.

Cadastral projects undertaken by private enterprises.—The enactment of Act No. 2989, which was repealed by Act No. 3327, initiated a new policy in the execution of cadastral surveys in the Philippines by including such activities within the scope of private enterprises. Act No. 3327 was amended by Act No. 3452 of the Philippine Legislature during the 1928 session.

These two acts made available for loans to corporations of private surveyors duly registered in the Philippine Islands the sum of ₱500,000, at 6 per cent interest, payable in three years. Loans from this fund are granted in sums not exceeding ₱25,000 at any one time upon the security of the survey fees derivable from projects or portions thereof designated as cadastral cases on which the tertiary survey has been completed in the field and its computations and plans have been duly verified and approved by the bureau of lands.

Since the operation of these acts 11 corporations of private surveyors have availed themselves of the facilities offered by the said acts, so that the cadastral surveys in the islands undertaken by private surveying corporations now extend to 12 Provinces and cover up to the close of the year 121,191 lots with an area of 222,020 hectares.

Cadastral cases completed and decreed in 1929 and 1930.—The following is a comparative table showing the number of cases completed and decreed in 1929 and 1930:

Year	Number of cases		Lots involved		Area in hectares	
	Com- pleted	Decreed	Com- pleted	Decreed	Com- pleted	Decreed
1929.....	79	37	69,271	35,018	178,985	122,025
1930.....	82	50	72,748	40,253	148,260	184,944

Apportioning of cadastral costs.—During the year 1930 the cadastral costs corresponding to 141 cadastral cases amounting to ₱1,963,361.29 were apportioned among the different Provinces for collection beginning January 1, 1931. It is expected that during the year 1931 collection will become up to date, thus increasing the cadastral revolving fund.

ADMINISTRATIVE SETTLEMENT OF CONFLICTS, LAND REGISTRATION, AND OTHER LEGAL WORK

CLAIMS AND CONFLICTS

Orders of investigation and reinvestigation.—The following table shows the total number of orders of investigation and reinvestigation issued during the years 1929 and 1930 as well as that of reports returned for being defective or incomplete:

	Orders
1929.....	2,260
1930.....	5,927

Disposition of claims and conflicts.—There were 5,323 decisions rendered by this bureau in 1930 as against 2,286 decisions rendered in 1929. This increase, or more than 100 per cent, was due to the drive initiated to examine all public land applications submitted to this bureau with a view to taking action on those on which actions are necessary.

Disposition of motions or petitions for reconsideration.—The number of orders granting or denying requests for reconsideration as well as that suspending the effects of decisions and executing such decisions during the years 1929 and 1930 is shown in the following table:

	1929	1930
Orders suspending effects of decisions.....	76	195
Orders granting requests for reconsideration and ordering investigation.....	52	129
Orders dismissing requests for reconsideration of decisions.....	166	250
Orders of execution of decisions.....	21	34

Appeals to the department.—Appeals to the department from orders and decisions of the director of lands were fewer in 1929 than in 1930, as shown in the following table:

	Number of decisions either affirmed or left intact	Number of decisions remanded	Number of decisions reversed	Number of decisions modified	Total
1929-----	47	10	1	1	59
1930-----	118	24	21	0	163

LAND REGISTRATION

Cadastral cases (Acts 2259 and 3327).—There were 67 petitions filed for the institution of cadastral cases in 1930, as against 64 filed in 1929. In the petitions for 1929, 55,935 lots were involved, with a total area of 294,587 hectares, while in the petitions for 1930 87,775 lots were involved, with an area of 122,832 hectares.

Compulsory registration cases (secs. 50 and 85, Act 2874).—During the year 1929 there were filed 23 compulsory petitions for registration under sections 50 and 85 of Act 2874 as against 26 filed in 1930. The number of lots involved in the cases filed in 1929 was greater than that involved in 1930, as the cases filed in 1929 had 136 lots, while those filed in 1930 contained 81 lots. The area involved in the cases for 1929 contained 1,440,5825 hectares, while that involved in the cases for 1930 was 3,884,3422 hectares.

Claims filed in regular cadastral cases.—The number of claims filed by this bureau in regular cadastral cases, as well as the number of such claims filed for the last five years, is as follows:

	Claims		Claims
1926-----	65	1929-----	80
1927-----	59	1930-----	101
1928-----	61		

Claims filed in compulsory registration cases.—The number of claims filed this year in compulsory registration cases as compared with the number of claims in such cases filed for the last five years is as follows:

	Claims		Claims
1926-----	29	1929-----	25
1927-----	52	1930-----	26
1928-----	62		

Court work.—The attorneys of this bureau, besides attending to the administrative work, such as deciding claims and conflicts, preparing opinions, issuing orders of investigations, etc., also handled court cases during this year as in previous years, in representation of the director of lands. The kind and number of cases handled this year and in four previous years are shown in the following table:

Number of civil cases (including compulsory), regular registration cases, civil cases (not registration)

	Claims		Claims
1926-----	114	1929-----	184
1927-----	192	1930-----	261
1928-----	202		

FINANCIAL STATEMENT

BUREAU OF LANDS (PROPER)

Appropriation.—The amount appropriated for the bureau of lands for the year 1930 was ₱74,220 more than that appropriated for the year 1929, the amount set aside for the former being ₱1,649,480 and for the latter ₱1,575,260.

Receipts.—The receipts derived by the bureau from various sources in 1930 amounted to ₱576,832.71 as against ₱560,985 derived in 1929, or an increase of ₱15,847.71.

Expenses.—The expenses incurred by the bureau in 1930 amounted to ₱1,517,201.90, which is ₱64,229.24 less than the expenses incurred in 1929.

The following table shows the per capita receipts and expenditures of the bureau of lands for the last 10 years on the basis of the estimated population of the Philippines during those years:

Fiscal year	Total receipts	Receipts per capita	Total expenditures	Expenditures per capita	Population
1921-----	P1,064,704.77	P0.0964189	P1,526,377.41	P0.138224	11,042,490
1922-----	676,042.82	.0598455	1,432,597.10	.1238181	11,296,569
1923-----	495,838.57	.0429068	1,556,752.73	.1347104	11,556,286
1924-----	433,472.97	.03655906	1,418,817.53	.12036717	11,787,412
1925-----	755,291.15	.06374894	1,410,792.59	.11907534	12,058,522
1926-----	492,204.51	.04064887	1,641,674.59	.13557523	12,108,688
1927-----	665,415.11	.05377058	1,750,411.77	.14146651	12,375,079
1928-----	732,315.84	.06147113	1,770,863.63	.14864759	11,913,167
1929-----	684,079.27	.0566179	1,733,426.75	.14346749	12,082,366
1930-----	576,832.71	.04708226	1,517,201.90	.12383371	12,251,594

Financial condition.—The bureau of lands' total assets as of December 31, 1930, were valued at ₱23,333,732.53, while its liabilities amounted to ₱5,053,725.36, or a surplus of ₱18,280,007.17 invested in fixed property.

FRIAR LANDS ESTATES

Appropriation.—The amount appropriated for 1930 for the operation of the activities of the friar-lands estates was ₱3,000 more than that appropriated in 1929. This increase in appropriation represents the sum made available for the maintenance and repair of buildings.

A comparative statement of the per capita receipts and expenditures of the friar-lands estates for the last five years on the basis of the estimated population of the Philippines during those years is shown in the following table:

Fiscal year—	Total receipts	Receipts per capita	Total expenditures	Expenditures per capita	Population
1926-----	P962,228.58	P0.07946596	P149,130.83	P0.01231601	12,108,688
1927-----	950,293.74	.07679092	244,123.70	.01972706	12,375,079
1928-----	808,496.88	.067866	174,195.60	.0146221	11,913,167
1929-----	938,956.57	.07771297	201,850.86	.0167054	12,082,366
1930-----	751,296.85	.06132238	205,465.83	.01677054	12,251,594

Financial condition.—The balance sheet of the friar lands estates for the year ending December 31, 1930, shows assets in the amount of ₱6,909,321.24 and liabilities amounting to ₱151,830.22.

SAN LAZARO ESTATE

Appropriation.—The amount appropriated for the operation of the activities of the San Lazaro estate for the year 1930 was the same as that of 1929, which was ₱7,290. All of this amount was used in the payment of salaries, purchase of equipment, and for miscellaneous expenses.

A comparative statement of the per capita receipts and expenditures of the San Lazaro estate for the last five years on the basis of the estimated population of the Philippines during those years is shown in the following table:

Fiscal year—	Total receipts	Receipts per capita	Total expenditures	Expenditures per capita	Population
1926-----	P214,388.26	P0.01770532	P6,053.48	P0.0005	12,108,688
1927-----	198,884.27	.01607135	3,130.03	.00041454	12,375,079
1928-----	239,033.04	.02006461	4,862.43	.00040815	11,913,167
1929-----	208,616.17	.01642941	5,817.72	.00048067	12,082,366
1930-----	174,944.85	.01427935	3,485.48	.00044774	12,251,594

Financial condition.—The assets of the San Lazaro estate as of December 31, 1930, were valued at ₱5,490,558.93 and its liabilities amounted to ₱7,779.55.

CADASTRAL REVOLVING FUND

The following is a tabulated statement showing the cadastral revolving fund collections and expenses for 1929 and 1930:

	1929	1930
Collections.....	P201, 130. 31	P313, 012. 36
Expenses.....	177, 756. 24	188, 267. 44
Difference.....	23, 374. 07	124, 744. 92

From the foregoing figures it may be seen that the cadastral revolving fund collections for 1930 have increased over those of 1929, as also the expenses for the corresponding year. In both years, however, the expenses never exceeded the collections.

The total assets of the fund for the year ending December 31, 1930, amounted to ₱1,012,392.87, while the liabilities for the corresponding year were ₱764,780.05.

DISPOSITION OF FRIAR LANDS AND SAN LAZARO ESTATES

FRIAR LANDS

Sales of vacant lands.—Up to December 31, 1930, there were sold 1,028 lots covering a total area of 7,093.0417 hectares valued at ₱664,051.92.

A comparison in the number of lots sold each year for the last five years, showing the area in hectares and value of the lands sold, is shown in the following table:

Year	Number of lots	Area in hectares	Value
1926.....	159	893. 6230	P102, 756. 00
1927.....	446	1, 554. 5114	203, 149. 00
1928.....	303	3, 054. 6919	461, 762. 70
1929.....	484	4, 814. 8470	618, 604. 56
1930.....	1, 028	7, 093. 0417	664, 051. 92

Lands sold and fully paid up.—During the period covered by this report there were paid up in full, of the lands previously sold under the installment plan, 5,989 lots, covering an area of 16,204.3160 hectares, with a sale value of ₱2,564,216.91.

A comparison of the number of lots fully paid up each year for the last five years, showing the area in hectares and value of the lands sold, is shown in the following table:

Year	Number of lots	Area in hectares	Value
1926.....	1, 005	1, 580. 6207	P210, 988. 62
1927.....	887	760. 9463	162, 389. 16
1928.....	1, 057	1, 578. 2046	319, 343. 34
1929.....	3, 311	11, 118. 5400	1, 819, 765. 62
1930.....	5, 989	16, 204. 3160	2, 564, 216. 91

A summary of actual status of the lands sold and unsold within the 23 friar-land estates at the close of business on December 31, 1930, is shown in the following table:

Disposition	Number of lots	Area in hectares	Value
Total of lands sold and fully paid up.....	33, 305	47, 434. 5791	P7, 824, 727. 22
Total of lands sold and partially paid up.....	17, 667	92, 726. 3302	12, 318, 407. 52
Total of lands vacant and unsold.....	1, 771	13, 253. 9085	1, 271, 645. 00
Total of lands technically vacant and temporarily reserved for the bureaus of plant industry and forestry.....	6	1, 081. 1164	40, 298. 50

Collections—sources of income.—The collection from January 1 to December 31, 1930, derived from different sources as the payment of installments and in-

terest on deferred payments, rents, irrigation fees, and miscellaneous receipts amounted to ₱713,278.85.

The following statement is a comparison of the collections from the same sources during the four years immediately preceding 1930:

Year	Sale value	Interest	Irrigation fees	Miscellaneous	Total
1926-----	₱743,967.37	₱195,039.54	₱4,943.95	₱5,250.25	₱949,201.11
1927-----	736,515.50	186,027.92	5,955.33	4,560.03	933,058.78
1928-----	633,385.66	139,038.55	5,797.48	5,165.80	783,428.99
1929-----	743,222.66	160,736.99	6,849.68	4,896.63	915,706.01

Friar lands investment fund.—The original fund of ₱100,000 appropriated on October 2, 1907, under Act No. 1736 to be loaned to friar-land purchasers who are in need of money for the development of their lands, had reached up to December 31, 1930, the total sum of ₱398,894.07.

At the beginning of the year 1930 there were 475 total outstanding loans granted, representing an aggregate amount of ₱330,722.81. Out of this total, 152 loans were fully paid in up to December 31, 1930, showing a total collection thereon of ₱97,193.72. In addition thereto, 27 new loans amounting to ₱24,860 were granted during the year, so that at the close of the said year there existed a total of 350 outstanding loans in the amount of ₱258,389.09. The amount of ₱140,504.98 is available for new loans in the ensuing year 1931. There were no applications pending.

SAN LAZARO ESTATE

Disposition.—Since the year 1922 all available lots within the San Lazaro estate, with the exception of four small lots in front of the Bilibid prison, had already been disposed of, so that at present the work of the San Lazaro estate section is concentrated practically upon the collection of installments due, the issuance of deeds of conveyance for fully paid-up lots, and the administration of the San Lazaro funds.

The actual status of the San Lazaro estate is illustrated in the following table:

Disposition	Area in square meters	Value
Total occupied lands with contracts-----	612,980	₱2,074,079.82
Total occupied lands without contracts-----	453,806	1,572,368.00
Vacant lots-----	902.3	5,481.80
Total-----	1,069,688.3	3,651,929.62

Collections.—The total receipts derived from the administration of the San Lazaro estate from January 1 to December 31, 1930, amounted to ₱174,065.32.

San Lazaro investment fund.—Under Act 2478 the San Lazaro investment fund was created with a working capital originating from receipts on sales of the lands within the San Lazaro estate for loan purposes. The transactions of the San Lazaro investment fund from January 1 to December 31, 1930, are shown in the following itemized statement:

	Number of contracts	Amount
Operating capital Jan. 1, 1930-----	501	₱1,878,740.89
Less: Outstanding loans Jan. 1, 1930-----		1,672,110.38
Balance available for loans Jan. 1, 1930-----		206,630.51
Add: Total collections on installments on sales of lands to Dec. 31, 1930-----	107	16,478.00
Total collections on loans to Dec. 31, 1930-----	84	313,166.63
Total funds available for loans to Dec. 31, 1930-----		566,575.14
Less: Total disbursements for new loans granted to Dec. 31, 1930-----	67	389,382.20
Balance available for operation to Dec. 31, 1930-----		177,192.94
Add: Total outstanding loans collectible to Dec. 31, 1930-----	484	1,720,320.77
Total operating capital of the San Lazaro investment fund to Dec. 31, 1930-----		1,897,513.71
Total applications pending to Dec. 31, 1930-----	3	26,000.00
Total old loans renewed to Dec. 31, 1930-----	35	215,052.00

BOARD OF EXAMINERS FOR SURVEYORS

Section 8 of Act No. 3626 provides that persons who, on the date of the approval of the said act, had already passed the civil service or the bureau of lands examination for surveyors, or had already been authorized to practice surveying by the director of lands, are entitled to certificates issued by the board of examiners without previous examination. During 1930 certificates were issued in accordance with the aforementioned section as follows: 286 for private land surveyors, 57 for cadastral land surveyors, and 15 for mineral land surveyors.

Pursuant to the provisions of section 6 of Act No. 3626, the board of examiners for surveyors held private land, cadastral land, and mineral land surveyors' examinations on June 3-6, 1930. Thirty persons took the private land surveyor examination, and out of this number 11 obtained passing grades of at least 70 per cent, which has been adopted as the minimum general average that should be obtained by a candidate before he may be entitled to be given certificate of proficiency by the board. Only one took the cadastral land surveyor examination, and this one qualified in the examination, obtaining a grade of 74.04 per cent. Two persons took the mineral land surveyor examination, both of whom passed.

On December 31, 1930, there were still pending final decision by the board administrative complaints filed against 36 practicing private land surveyors.

The board spent ₱994.52 and collected ₱2,150.30 as fees for its services.

BUREAU OF SCIENCE

EXPENDITURES, INCOME, AND FREE WORK

The expenditures for 1930 were ₱726,781.41, which is ₱25,999.51 more than for 1929 and ₱12,471.20 more than for 1928. The cash income amounted to ₱399,895.95 for 1930.

The free work done for other government entities would have had a cash value of ₱5,304,014 according to the bureau of science schedule of charges. The cash income and the value of the above free work amounted to ₱5,703,909.95. Subtracting from this the total expenditures of the bureau, there is left a balance of ₱4,977,128.54, which represents the actual profit to the government of operating the bureau of science. The actual cost to the government is the amount expended, ₱726,781.41, minus the total income, ₱399,895.95, which leaves ₱326,885.46 for which the bureau did ₱5,304,014 of free work for government entities, or ₱16 worth of free work for each peso expended. In addition, free work amounting to ₱77,834.66 was done for semigovernment companies cooperating with the bureau or for the poor. The free work mentioned above includes only the actual tests and examinations made and supplies furnished, and does not take account of the fact that a considerable proportion of the funds of the bureau of science are expended in ways that are of direct value to the people of the Philippine Islands and for which no charges can be calculated.

Among such items are the expenditures for the development of home canning and food preservation, for the development of the fisheries industries, for the prevention of rabies, for the identification of minerals, plants, and animals, and for consultations in regard to various industries. Neither does it take into account the large amount of research that is of advantage to the public, including such activities as geological and soil surveys; the study of plant diseases; the study of the medicinal constituents of Philippine plants; the cause, cure, and prevention of human diseases; and the commercial uses of various Philippine products.

ROUTINE

The amount of routine done by the bureau has been steadily and rapidly increasing for several years. This is due to a considerable extent to the increased appreciation of the work of the bureau of science by other government entities and by the public. The amount of routine has increased to such an extent that it occupies a large part of the time of the staff. This is emphasized by the fact that during 1930 the bureau made more than 315,988 analyses, tests, and examinations, or about 1,000 for each working day. These figures do not include identifications of plants, animals, and minerals. The amount of routine work done at present not only exceeds that of any past period but, it is

believed, is more accurate and satisfactory than at any previous time since the establishment of the bureau. The bureau of science does work and manufactures supplies, mostly free of cost, for practically all insular government entities. Brief mention is made below of some of the larger items for various entities.

Philippine Health Service.—The bureau of science manufactures vaccines and serums in large quantities for the Philippine Health Service. The bureau of science sold to the Philippine Health Service 4,008,530 doses of vaccines against cholera, typhoid, cholera and typhoid, dysentery, and smallpox, and furnished free of cost 18,127,605 units of vaccine against cholera, typhoid, cholera and typhoid, and dysentery. In addition considerable amounts of other products were either sold or furnished free to the Philippine Health Service.

The bureau of science serves as a laboratory for the Philippine Health Service. During the year there were examined free for the health service 49,121 samples of feces; 19,225 samples of foods, alcohols, and beverages; 4,886 samples of water; and 54,088 rats for plague. In all free examinations for the Philippine Health Service were made on 129,868 specimens.

The enforcement of the pure food law is in the hands of the Philippine Health Service, and all analyses and examinations made in connection with the enforcement of this law are conducted by the bureau of science for the Philippine Health Service.

Public-welfare commissioner.—The office of the public-welfare commissioner was furnished, free of charge, with 44,935 bottles of tikitiki extract for the cure of beriberi. These had a sales value of ₱31,454.50.

Bureau of quarantine service.—The samples collected by the bureau of quarantine service are sent to the bureau of science for analysis. More than 897 free examinations for that service were made during 1930.

Board of pharmaceutical examiners and inspectors.—The bureau of science serves as a laboratory for the board of pharmaceutical examiners and inspectors and makes all analyses for them in connection with the enforcement of the drug law.

Bureau of supply.—The bureau of supply buys many articles on specifications, and these articles are tested by the bureau of science. During 1930, 14,844 such examinations were made, without charges, for the bureau of supply.

In addition to making examinations for the bureau of supply, the bureau of science spent a great deal of time on the formulation of specifications to be used by the bureau of supply in the purchase of materials. These specifications have already saved the government a great deal of money.

Bureau of public works.—The bureau of science examines free of charge all samples of cement, concrete, and artesian-well water for the insular projects of the bureau of public works. During 1930 about 8,545 such free examinations were made. Also a large number of samples was submitted by the bureau of public works for analysis or test for provincial or municipal projects.

IMPROVEMENTS

Work on the construction of the west wing of the main bureau of science building was started early in the year. The wing is practically completed and will greatly increase the space and facilities of the bureau and will do much toward relieving the overcrowded condition of the laboratories.

A new building, consisting of four laboratory rooms and a cold-storage room, was constructed at the vaccine and serum laboratory at Alabang. The construction of this laboratory was made necessary by the need of greatly increasing the production of vaccine to combat the cholera epidemic. Now that the epidemic has subsided this building can be used for the manufacture of purified and concentrated antidysenteric serum.

Considerable improvement was made in the roads and grounds of the main building at the bureau of science in Manila.

PERSONNEL

The most important changes in the personnel were the resignation of Mr. Victoriano Elicaño as assistant director, effective January 1, 1930, and the appointment of Mr. Arpel S. Arguelles, chief of the division of soils and fertilizers, as assistant director, effective January 16, 1930.

Mr. Wallace Adams arrived from the United States March 11 to assume duty as chief of the division of fisheries.

The following appointments were made during the year: Mrs. Lucilo Lidstone, as copy editor, January 20; Mr. Luis Serrano, as assistant copy editor, July 16. Mr. Fidel del Rosario, junior entomologist, on April 16; Dr. Claro Gaza, assistant chemist, January 6; Dr. Leopoldo A. Faustino, chief of the division of soils and fertilizers, February 15; and Mr. Claro Martin, government pensionado, December 12.

The following members of the scientific staff resigned: Messrs. Dionisio M. Birosol, chemist, June 8; Anacleto D. Francisco, junior chemist, October 31; Ceferino Jovellanos, junior chemist, January 16; Rafael T. Simpaio, junior chemist, December 31; Edilberto Karganilla, assistant bacteriologist, September 4; Quirico A. Abadilla, geologist, March 17; and Salvador del Mundo, chemist, June 16.

Dr. Marcos Tubangui was transferred from the College of Veterinary Science, University of the Philippines, to this bureau as parasitologist, April 1, 1930, and Dr. Joaquin Marañon, as plant chemist, September 1.

Miss Maria Y. Orosa, chief of the division of food preservation, returned to the Philippine Islands February 7, 1930.

RESEARCH

The division of medical biology continued the work on yaws and syphilis in monkeys with very gratifying results. It has been shown that the vaccine from the causative organisms of these diseases would produce immunity. It has been found that this immunity can be made absolute and lifelong. Further studies have shown that when these diseases are allowed to run for a considerable time and then cured they produce immunity, but that if the diseases were cured during the early stages reinfection can take place, or if the cure is not complete there will be relapses and symptoms reappear. It has now been shown that when a cure has been effected or is thought to have been effected during the early stages of the diseases vaccination can be administered which will prevent reinfection or relapse.

These accomplishments are of the utmost importance, as they for the first time demonstrate the possibility of successful immunization against yaws and syphilis and a permanent cure for syphilis that will positively prevent the late and distressing symptoms which are so common in cases treated but not thoroughly cured by the methods now in use. As this treatment does not in any way affect the health of the patient or present methods of treatment, they should go far toward giving the medical profession the possibility of controlling syphilis and yaws. An important phase of this work is that it shows that there is a reciprocal reaction between the immunity of yaws and syphilis, the vaccine of either disease being capable of immunizing against the other.

The botanical division has continued the exploration of the islands, particular attention having been paid to Babuyan and Batan Islands on account of the affinity of their floras to that of Formosa. More than 50 species new to science were found and over 4,000 specimens were collected during the year. Along the line of systematic botany seven papers were published or completed during the year. These include a very extensive and exhaustive monograph of the pepper family, two papers describing new orchids, and one describing a new and handsome begonia, etc. Special attention was paid to the preparation of a book on Philippine orchids, which is nearing completion.

Studies on medicinal and poisonous plants of the Philippines were continued and four papers were published or completed along this line. Very considerable information concerning local uses was collected. The chemical compositions of several medicinal plants were determined. The active constituent of the seeds of *Rourea erecta*, which is a violent poison, was isolated. This drug has the effect of reducing blood pressure and on this account may find considerable use in medicine. An extensive microscopical study of various Philippine cinnamon barks and their relatives was completed and published; also an account of the chemical changes taking place during germination of various varieties of mongos. The latter work is important in determining the nutritive value during the various stages of sprouting as compared with unsprouted mongo seeds, the study having shown that sprouting mongos are more readily digestible than unsprouted ones.

Gratifying results have been obtained from the study of wood-destroying fungi; a monograph of one of the principal wood-destroying groups was completed; papers were also prepared on the durability of Philippine woods against fungi; and the decay of woods in automobiles in the Philippines. Success

has been attained in isolating varieties of rice resistant to a serious fungous disease causing the rot of the basis of the plant. Considerable progress has also been made in the study of the diseases of cacao, mango, tomato, and other plants.

The division of organic chemistry published and prepared for publication 14 research papers describing the following results: By using specially prepared copra, water-white coconut oil was produced, also pure white copra-cake flour suitable for human consumption and possessing excellent qualities for the manufacture of cakes and similar foods. Both of these products should have very high commercial values. The food value and vitamin content of numerous Philippine fruits and vegetables were determined. This was a continuation of previous work on Philippine foods which it is hoped will give us a better knowledge of the value of Philippine foods and the preparation of well-balanced diets. A detailed study was made of the possibilities of Philippine camphor, together with the yield, chemical composition, and commercial possibilities. The yield of oil from numerous species of eucalyptus grown in the Philippines was determined, also the character of the oil. Several species are found to give much higher yields in the Baguio Plateau than in Australia. This opens the possibility of commercial exploitation of eucalyptus oil in the Philippines. Detailed examinations were made of Philippine turpentine, rosin, and pine-needle oil, also the commercial possibilities of these substances. Both the yield and character compare very favorably with those produced in the United States and offer possibilities of promising local industries. The composition of Philippine lumbang oil was determined with considerable exactness. New chaulmoogra compounds were prepared and will be tested as possible cures for leprosy. One paper gives statistics and tests of gasoline sold in the Philippines, and another the composition of Philippine black coral.

The division of inorganic chemistry has been so crowded with routine that comparatively little time has remained for investigation. While not as much has been done as desired, the accomplishments have been gratifying under the conditions. Considerable progress has been made in investigations looking toward the standardization of supplies bought by the government, particularly along the line of paints and paper. An extensive study of the character of artesian-well water in Manila and neighboring towns was completed, also a study of the radioactivity of deep-well waters in Manila. In general, nearly all of the waters have a satisfactory composition from a chemical standpoint, and all are radioactive, although some few were only slightly so. Progress was also made in devising improved methods of analyses.

The division of geology and mines has continued its usual geological exploration of the islands. Particularly noteworthy has been the discovery of important uses of certain Philippine clays. It has been possible to use these in place of fuller's earth successfully in the decoloration of coconut and lumbang oil. Also it has been demonstrated that local clays can be used for the manufacture of chalk for schools. The exploitation of these resources should substitute products imported in large quantities by local ones. The geological investigation of certain regions has enabled the bureau of science to recommend the drilling of artesian wells in localities and regions where conditions were apparently unfavorable and drillings had been unsuccessful, with the result that the new drillings were highly successful. This work was particularly important in northwestern Pangasinon, the Camotes Islands and Bantayan Islands. Investigations have not only shown valuable deposits of minerals, but have been very important in preventing useless expenditure of money in valueless deposits. Much work also has been done on corals, shells, coral reefs, and associated problems.

The soils and fertilizers division has underway an investigation on the infertility of certain rice soils in central Nueva Ecija. The preliminary work was started following a request for an inquiry into the cause of the failure of the rice crop in certain fields within the Munoz Farm School Reservation. Suggestions regarding the possible cause of this failure were made in the report, and the fertilizer recommended gave a very promising result. A field and laboratory investigation of the soils in important lanzones sections of Laguna Province has been undertaken. Studies on the chemistry and nitrifying power of sugarcane soils have also been undertaken in connection with the industrial fellowship of the Philippine Sugar Association. The enforcement of the fertilizer law, involving the inspection and chemical examination of fertilizers sold in the open market in order to insure that the guaranteed

composition is fully complied with for the benefit of farmers and for the protection of legitimate fertilizer dealers, has been carried out. The fertilizer business has grown to approximately ₱5,000,000 a year.

The division of fisheries published four important papers and completed 15 during the year. Among the most important contributions were the study of methods of fish preservation at Estancia, as a result of which some 4,000 five-gallon cans of sardines were put up according to the methods devised. This would seem to be a very promising start for a large industry. Among the subjects investigated were the pearl fisheries of Mindanao and Sulu; the fishing methods used by Japanese in Philippine waters; the cultivation of bangos; Philippine industrial shells; fishing methods in Laguna de Bay, Manila Bay, and the Bicol Provinces; kandule, dalag, and ipon fisheries; Philippine prawns, shrimps, and crabs; Philippine edible mollusks in Manila markets; six types of fish corals in the Vicayas; Philippine food fishes in Manila markets; a systematic description of various families of fishes; etc. A site has been located in Occidental Negros for the construction of fishponds for the investigation of the cultivation of bangos and other aquatic animals. Experimental work will be started in the near future. Gurami, an excellent food fish imported from Java, was bred in the experimental tanks at the bureau of science. This fish is a strict vegetarian and gives promise of being a valuable addition to the fresh-water lake fisheries where vegetation is abundant.

The food-preservation division tested more than 200 fish recipes with the view of preparing a book of recipes. Particular attention was paid to preparation of inferior varieties in a tasty manner. Experiments were conducted on the following lines: The canning of sardines and other fishes, the preparation of ham and bacon, the dehydration of fruits and vegetables, and the preparation and preservation of fruit juices.

The Army medical research board, as a result of very extensive experimental studies, has completed a lengthy monograph dealing with all phases of dengue fever. They have shown for the first time that *Aedes albopictus*, a very common mosquito, is an important carrier of dengue. An extensive study of blood counts of experimental dengue-fever cases showed that these counts can be used positively to diagnose dengue fever and to distinguish it from various other fevers. They were able to show that dengue virus can be passed from mosquito to mosquito without passing through a human host. The problems just mentioned are only a small portion of those discussed in the monograph. The board has also made very important contributions to the study of osteomalacia and equine dhoobie itch.

The malaria field studies conducted by the Rockefeller Foundation in cooperation with the bureau of science have developed important new larvacides for *Anopheles minimus* and have shown that plasmochin simplex in proper intramuscular doses will prevent the infection of Canaris with malaria. Eight hundred and eighty-one wild birds in 33 species have been examined for avian malaria and 34 per cent were found to be infected.

COOPERATION

United States Army Medical Department Research Board.—As in the past, the United States Army Medical Department Research Board occupied quarters in the bureau of science. Cooperation with the board has been a great help to the bureau of science and the results of the board's work are of value not only to the bureau but to the Philippines as a whole. The bureau of science has placed its facilities at the disposal of the board, and the appreciation of the board, both verbal and written, has been very gratifying. During the year there was a complete change in the personnel of the board. Maj. James S. Simmons, Maj. Joe H. St. John, and Capt. F. H. K. Reynolds were relieved by Maj. R. L. Holt, Maj. William D. Fleming, and Capt. J. H. Kintner. The members of the retiring board prepared, as a result of extensive experimental work, a very valuable and extensive monograph dealing with all phases of dengue fever. Among the more important results was the finding of a new mosquito carrier of dengue, methods of transmitting the dengue virus from mosquito to mosquito, a very accurate method of diagnosing dengue, and valuable information concerning immunity produced by dengue. The new members of the board have already accomplished some very valuable results. They have done extensive

work on osteomalacia with very promising results and they have been partially successful in producing a vaccine for dengue. They have worked on various other phases of dengue and also on equine dhobie itch. The board does no routine work; its activities are confined to research.

Rockefeller Foundation.—Dr. Paul F. Russell, of the Rockefeller Foundation, continued with us during the year. He worked on a wide variety of problems concerning malaria. He obtained valuable results on larvacides, of avian malaria, the prophylactic properties of plasmochin simplex in avian malaria, and along other lines. Dr. W. V. King, who was with us in 1929 and studied the classification of Philippine mosquitoes, returned to the islands November 21, 1930, to resume his work. The importance of such studies can hardly be overestimated, as there is great confusion in the classification of Philippine mosquitoes and in identifying them with the mosquitoes of neighboring countries. One of the puzzling questions involved is the fact that apparently identical mosquitoes act very differently as regards the carrying of malaria in different countries. An account of the work of Doctor Russell is given under the heading "Malaria field studies" in the second part of this report, which deals with the work of the bureau by divisions.

Manila Railroad Co.—As during the past six years, the work in cooperation with the Manila Railroad Co. was done by Doctor Dar Juan, who was stationed in the bureau of science. The railroad company pays the salary of Doctor Dar Juan, bears a part of the expenses, and furnishes him with an assistant. The investigative work is primarily along lines that are of interest to the railroad and also of great value to the government. In addition to research activities Doctor Dar Juan supervises the control analyses of coal, cement, lubricants, and other materials. An account of his work is given in the report of the activities of the division of inorganic chemistry.

Philippine Sugar Association.—Dr. M. M. Alicante, of the Philippine Sugar Association, has been stationed in the bureau of science and has cooperated with the division of soils and fertilizers in the investigation of soil problems. An account of his work is given in the report of the division of soils and fertilizers.

Metropolitan water district.—As in past years the metropolitan water district has supplied a chemist particularly for the chemical examination of the water of Manila. The chemist makes several determinations daily of the chlorine content of the city water, while a bacteriologist of the bureau of science examines the water several times each day for bacterial content. The results of these examinations are highly satisfactory and indicate that the city water as it comes from the tap is safe for drinking and other domestic purposes.

WORK DONE BY THE BUREAU OF SCIENCE FOR THE PUBLIC

The work of the bureau of science for the public covers a wide field and, directly or indirectly, touches almost every phase of human activity in the Philippines. Most of the activities of the bureau are of great importance to the public, but are carried on so unobtrusively that the public hears or sees nothing of them. The preceding pages are occupied largely by a consideration of the finances of the bureau of science, the relation of the bureau to other government entities, and the research of the bureau. In this section the activities are briefly reviewed in reference to the direct relation to public welfare.

The health of the public is protected against epidemic diseases by vaccines manufactured by the bureau of science. The most outstanding accomplishment along this line was the manufacture of 21,000,000 doses of cholera vaccine of which the bureau dispensed, mostly to the Philippine Health Service, 17,432,154 doses. In addition, large quantities of other vaccines were manufactured and disposed of. In all, the bureau of science disposed of 22,249,706 doses of vaccines. Among the most important of these were vaccines against smallpox, cholera, typhoid, and dysentery.

Smallpox, which used to be a tremendous scourge and caused terrible epidemics, is now little feared owing to the use of vaccine. The efficiency of this vaccine is due to a considerable extent to improvements introduced in its manufacture by the bureau of science. The last cholera epidemic was ended with the use of bureau of science vaccine against cholera. So long as the vaccination is continued there should be no further epidemics. Vaccine has also been a great agency in the control of typhoid. More recently the bureau of science perfected an entridysenteric vaccine suitable for local conditions and which has no painful reaction.

The bureau of science helps the health conditions in the islands in many other ways. Important among these is the examination of foods submitted by various agencies, including the Philippine Health Service and the bureau of customs. Such substances are examined to see that they meet the requirements of the pure food and drugs act. Particularly important is the examination of imported canned goods, such as salmon and sardines. Some of the local products examined include ice cream, coconut and other vegetable oils, meats, lard, milk, soft drinks, alcoholic beverages, bread, confectionery, fruits, vegetables, fish, sugar, molasses, soaps, cheese, dyes, flour, and cereals. During the year 1930 over 19,000 examinations were made on food substances and soft drinks. Bacteriologic examinations are also made on the food handlers in Manila. Waters all over the Philippines are examined both bacteriologically and chemically and no waterworks project is started until the bureau of science certifies that the water is suitable for human consumption. More than 9,000 examinations of water were made in 1930.

The bureau of science also assists the quarantine service in keeping out epidemic diseases. In 1930 nearly 55,000 rats were examined for plague as a protection against the introducing of this disease into the islands.

Better known is the antirabic treatment against rabies. Each treatment consists of 25 injections, which are furnished free. More than 4,400 such treatments were given during the year 1930. This antirabic treatment is also used by the city veterinarian of Manila to vaccinate dogs.

The bureau of science assists the bureau of health, the quarantine service, and other government entities as well as private doctors in making diagnoses by examining specimens, such as faeces, blood, sputum, and urine. Nearly 86,000 such examinations were made in 1930. For the protection of the public the pure food and drugs act of the islands requires that the containers of drugs and biologic products be properly labeled, not mislabeled, and that the labels state accurately the constituents of the drug. Under this law, drugs are collected by the board of medical and pharmaceutical examiners and inspectors and analyzed by the bureau of science; if found to be mislabeled, they can not be sold.

The strength of cement and other structural materials that go into the construction of buildings and the strength of the resulting concrete are very important from the standpoint of public safety. The bureau of science is required to test all cement used in government structures and all cement used in buildings in the city of Manila, also the resulting concrete in these structures. More than 16,000 such tests were made in 1930.

The bureau of internal revenue is in charge of the supervision of weights and measures used to weigh and measure articles sold in the Philippine Islands, but the bureau of science carries on the examination and certification of standard weights and measures.

The bureau assists in the development and in the promotion of the mining industry by geologic survey work, investigating economic mineral deposits, assaying ores and bullion, testing ores for milling purposes, identifying minerals, and examining mines and prospects for private parties with the view of assisting in their development. Sites for artesian wells are located for the bureau of public works.

The bureau works for the farmers by examining soils and fertilizers. All fertilizers sold are required to be registered in the bureau of science, and the bureau inspects fertilizers to see that the farmer gets the composition guaranteed by the manufacturer.

The bureau also aids the farmer by investigating the cause, prevention, and remedies of plant diseases and by giving information and advice on these subjects.

People interested in fisheries consult the bureau on their problems, and the bureau recommends to the secretary of agriculture and natural resources the formulation of rules and regulations for the protection of fish and the fishing industries.

A popular activity of the bureau is the demonstration of methods of canning and preserving fruits and vegetables. These demonstrations are given by the bureau of science demonstrators throughout the archipelago. The recipes used were developed in the bureau, and their demonstration to housewives has resulted in extensive use of homemade preserves. This activity has also resulted in the establishment of commercial canneries. During the year demonstrations were given in 74 towns in 9 Provinces.

The demonstrators, in addition to doing demonstration work in provincial towns, have also collected Filipino recipes for cooking; 500 such recipes were tried in the laboratory. The best of these, together with foreign recipes suitable or modified to be suitable for the Philippines, will be printed in a cookbook and will be used by the demonstrators for the instruction of the public.

The bureau of science is open to the public for consultations on all matters pertaining to science, and the bureau makes examinations for the public of almost all conceivable kinds of articles. These examinations include medical specimens, cotton goods, paper, leather goods, galvanized iron, mineral oils, food products, paints, and practically anything that requires testing.

Consultations and advice are given free to manufacturers of and merchants dealing in soaps, oils, paints, dairy products, soft drinks, ice, artesian water, etc.

The researches conducted by the bureau of science have aided the development of industries in the Philippines and the promotion of sanitation and the development of medicine.

Researches conducted by the bureau of science have resulted in the establishment of numerous industries and the improvement of a great many more, while the possibilities of still other industries have been pointed out. These include glass, paper, vitrified brick, medicinal remedies, paint oils, including lumbang, and numerous others.

Original work done by the bureau of science along medical lines has been very important. An enumeration of all of it would require much space, but one example may be mentioned here. For many years beriberi was a cause of much infant mortality until scientists working in the bureau brought forward tikitiki extract as a remedy. Tikitiki extract is now made by a number of firms and also by the bureau of science. The bureau's product is distributed free by the public welfare commission through their puericulture centers. During 1930 the bureau of science furnished the public welfare commission, without cost, 45,855 bottles of tikitiki extract.

PUBLICATION AND LIBRARY

The Philippine Journal of Science, embodying the results of the research work of the bureau, was issued in three volumes in 1930, with an aggregate of 1,840 pages, 213 plates, and 265 text figures. The contents of the three volumes are given later in this report under the heading "Publications."

The Philippine Journal of Science is sent to 951 paid subscribers and exchanges, and 107 copies are distributed free for review to associate editors and other parties. The total mailing list is 1,058. This is distributed as follows: Philippines, 93; remainder of Asia, 199; Europe, 295; North America, 351; South America, 30; Africa, 35; Australia and neighboring islands, 55. These figures show that the Journal is widely distributed to scientific institutions in all parts of the world.

One monograph was issued during the year and one is in press.

The library has continued to grow in size and usefulness and has maintained its high standard of excellence. During the year 3,140 bound volumes and 6,139 unbound volumes, parts, and pamphlets were added, making a total of 124,836 bound and unbound volumes, parts, and pamphlets at the close of the year. The library receives 2,240 scientific serials, of which 478 are paid subscriptions, 723 exchanges, and 1,039 free. The number of publications used and charged out was 74,170, or a daily average of 206 publications. The number of visitors recorded in the library was 17,159.

MUSEUM DISPLAY

The bureau of science is visited by a great many people who desire to know something of the scientific work of the bureau. Excursions of school children accompanied by teachers from Manila and neighboring Provinces frequently visit the bureau of science, so that during the course of the year many thousands of people pass through the bureau. In order to demonstrate the work of the bureau and to give instruction to these people the bureau has continued the enlargement of its series of cases in the corridors on the first floor, in which there are displayed collections of birds, fishes, insects, shells, corals, sponges, and other animals, as well as plants and plant diseases. The cases also contain exhibits illustrating the work of the bureau and products manufactured by the bureau. This exhibition has proved very popular and has attracted an increased number of visitors.

ACQUARIUM

As in past years, the bureau of science continued to operate the aquarium in the bastion of the Real Gate of the Walled City, where a considerable variety of interesting and curious fishes and other marine animals are displayed for the benefit of the public and tourists. During the year there were 21,972 paid admissions; 6,855 free admissions to elementary students, officers, and sailors of the Japanese Navy, and others; and 2,084 half-free admissions to high-school students.

WEATHER BUREAU

The year 1930 was remarkable for an almost complete absence of depressions and typhoons near or over the Philippines. The small typhoon that crossed Visayas in April caused considerable damage to crops.

The rainfall has been below normal in the Provinces of Mindanao, Visayas, and the southeast and central Luzon.

Seismic activity throughout the world during 1930 was rather less than normal. No earthquake in the Philippines was severe enough to cause any uneasiness among the people. Italy, Japan, and Burma were the chief sufferers. A complete set of the very delicate magnetic seismographs of the Galitzin-Wilip type has been installed at the observatory.

The astronomical department has acquired a complete set of synchronous clocks. The time service of the Philippine Islands has been placed in the list of stations giving "first order," time signals.

In compliance with the resolutions passed by the conference of directors of the Far Eastern Weather Service, held in Hong Kong in 1930, a new code for the transmission of cablegraphic messages has been introduced, means have been devised for the broadcast of synoptic messages, uniformity has been obtained in the display of typhoon signals, cooperation has been pledged in the publication of wireless messages received from ships, resulting in better service to the observatories concerned and to the shipping companies.

NATIONAL MUSEUM

GENERAL STATEMENT

The institution made gratifying progress during the year 1930 considering the inadequate appropriation given to it. More could have been accomplished if its request for appropriation for additional technical employees and for purchase of specimens and collections was granted. The lack of an appropriate building was another great handicap encountered, making it difficult to carry on the plans for the following departments: (1) Natural history, (2) historical and fine arts, and (3) commercial and industrial.

Upon the proper solution of two problems hinges the development and growth of the national museum—the problem of giving it an appropriate building for museum purposes and that of furnishing it with the necessary technical staff to organize and carry on its work. Museums are no longer storehouses of things to be preserved; they are, in their modern conception, great laboratories for the collection, preservation, and study of all natural history objects and all objects of foreign and curious research, and stand for the increase and diffusion of knowledge, thus becoming necessary adjuncts to the schools, colleges, universities, and business and scientific organizations. It must have, in addition to the clerical, an adequate technical staff to carry on the work.

The building problem is another of prime importance which must be solved soon. In the annual report of last year attention was invited to the necessity for greater space to house the steadily growing collections of the museum which must be constantly increased. We should save from destruction by our advancing civilization objects worthy of preservation and study for posterity, and which would be difficult if not impossible to duplicate in the coming 20 or 50 years.

The proposed transfer of the National Museum in the first floor of the east wing of the Bureau of Science is expected to partly relieve the present congestion.

FINANCIAL STATEMENT

Below is given a statement of the expenses of the museum for the year 1930:

Salaries and wages-----	₱25,040.00	Consumption of supplies and materials-----	₱2,000.00
Traveling expenses of personnel-----	1,667.32	Printing and binding reports, documents, and publications-----	500.00
Freight, express, and delivery service-----	199.94	Maintenance and repair-----	500.00
Postal, telegraph, telephone, and cable-----	700.00	Purchase of equipment-----	3,615.00
Illumination and power-----	500.00	Purchase of museum specimens-----	5,500.00
Miscellaneous-----	500.00	Total-----	40,722.26

EXPLORATION AND FIELD WORK

Researches and field work in the various projected departments of the museum, especially in the natural history department, could not be carried on for lack of the adequate personnel. During the year a reconnaissance of anthropological and archaeological matters in the Provinces of southern and central Luzon was undertaken by the late Director M. de Yriarte to determine possible sources of materials, which he had hoped to acquire as soon as funds permitted.

Incidentally, he also devoted himself during these surveys to the collection of antiques, and succeeded in securing some specimens by donations from the many Provinces visited. Difficulty, however, was encountered in this manner of acquisition on account of the fact that many preferred to sell rather than donate their objects of art and sculpture as well as ethnographical objects to the bureau. In a majority of cases private collectors, both local and foreign, with more ample resources at their command, had already covered the field and secured the best specimens. Competition has thus raised the prices of antiques as to make it prohibitive for the museum to acquire them with its limited funds.

The chief of the museum division also undertook a similar reconnaissance for ethnographical objects in various Provinces of the Visayan Islands and northern Luzon and made valuable additions to the collections of tribes poorly represented in the ethnographical section.

ACQUISITIONS

While the museum existed as a dependent unit, being formerly a part of the Philippine Library and Museum, the yearly appropriation for the purchase of museum specimens averaged around ₱16,000. When it was made to exist independently, and should, therefore, receive more attention and support, the appropriation for this item for 1930 was only ₱5,500. The inadequacy of this fund limited our acquisitions and naturally hampered the progress of the bureau. The ceramic wares collection was increased by some 1,603 pieces during the year. A number of specimens were added to the furniture and ethnographical collections. A very marked increase in the number of donations was noted during the year on account of the constantly growing interest on the part of the public in the development of the national museum.

LOANS TO THE NATIONAL MUSEUM

PAINTINGS

"A Roman Bacchante," painting by Juan Luna; loaned by Dr. and Mrs. R. A. Ubaldo.

"Cula con Manton de Manila," by Luna; loaned by Mira Perez.

"Una Madreleña," Luna; property of Dr. and Mrs. R. A. Ubaldo.

"E Pue si Muvse"—Galileo y la Intransigencia Religiosa—Luna; loaned by A. Luna de San Pedro.

Sketches of persons; study, by Luna.

"Artist and Model, Hidalgo; loaned by Mr. Rafael Reces.

"Merienda en el Campo," Hidalgo; loaned by Vda. de A. Barretto.

"Dream of Spring," Hidalgo; loaned by Vda. de A. Barretto.

"Home—Interior"; loaned by Doctor Baza.

"Flower Vendors," Zamora; loaned by school of fine arts.

"Una Marina," A. Luna de San Pedro.

"Un Ciego tocando la guitarra," Amorsolo.

"Maj. Gen. W. Weigel," Amorsolo.

SCULPTURES

- "Da Trining de Ramoso," in marble, by G. E. Tolentino.
 "Don Pepe de Leon," in marble, by G. E. Tolentino.
 "Don Jose Gojuangco," in marble, by G. E. Tolentino.
 "Mrs. Isaure Gabaldon," in marble, by G. E. Tolentino.
 "Luisa Marasigan (Miss Philippines)," plaster, by G. E. Tolentino.
 "Mrs Rosario Saluabides (Miss Pampanga)," plaster, by G. E. Tolentino.
 "Lello," bronze, by G. E. Tolentino.
 "Mr. Diaz," bronze, by G. E. Tolentino.
 "Luisetta," bronze, by G. E. Tolentino.
 "M. H. del Pilar," plaster, by G. E. Tolentino.
 "La Schiava" (The Slave), bronze, by G. E. Tolentino.
 "Il Rimorso" (Remorse), bronze, by G. E. Tolentino.
 Bust of Christ, wood carving, by G. T. Nepomuceno.
 Descent of Christ from the Cross, clay, G. T. Nepomuceno.
 A bust of a child, chalk, G. T. Nepomuceno.
 A grandmother with her nephew, clay, G. T. Nepomuceno.
 A doll, carving by Doctor Rizal; property of Doctor Ubaldo.
 A woman, chalk, Vicente Maximo.
 Bust of Christ, Vicente Maximo.
 Purisima Concepcion, carving in ivory.
 A Crucifix, carving in ivory.
 St. Francis, carving in ivory.
 "C'est Mi," bronze, by Dr. Felix Pardo de Tavera.

NUMISMATIC COLLECTIONS

Perez collection (Gilbert S. Perez), consisting of a more or less complete set of Greek and Roman coins, rare foreign coins, medals, etc. Figuring prominently in the collection are the interesting Greek coins dating as far back as the reign of Thasos, 505 B. C., and other subsequent dynasties before the Christian era. The coins of Cleopatra, Ptolemy, Caesar, Anthony, etc., are among the collection.

Bantug collection (Dr. J. P. Bantug). Standing prominently among the group of silver and gold coins are the famous native coins called "piloncitos de azucar" (gold) and the "Hilis Kalamay" (silver). The prehistoric ring money, possibly still in use among the natives of the Philippines, are very interesting.

Felipe R. Hidalgo collection, consisting of medals and other objects.

Lopez-Rizal collection, consisting of medals, coins, etc.

SPECIAL EXHIBITIONS

During the year two special exhibitions were held at the marble hall of the national museum, one dedicated to fine arts and household furniture and the other to coins and stamps collections. Each of these exhibits lasted more than four weeks. They attracted much attention and were very favorably received by the public and more particularly by art lovers and students.

During the art and furniture exhibit about 50 oil paintings, by Juan Luna, Felix Resurrecion Hidalgo, Eugenie Lucas, Fabian de la Rosa, Fernando Amersolo, Vicente Rivera y Mir, etc., were placed at the disposal of the museum. Artistic household furniture pertaining to the eighteenth and nineteenth centuries were also exhibited in the hall.

Two very valuable paintings by Resurrecion Hidalgo namely, "Merienda en el Campo" and "Sueño de Primavera," were offered to the national museum for sale, but the institution could not consider the offer due to lack of funds.

Sculptures by Tolentino and Nepomucceno, as well as other objects of art, were also put on display during the exhibition.

The stamps and coins collections attracted a big and appreciative crowd. Among the private collections worthy of mention are the Perez collection of coins and medals and the Arias stamps collection, which represented a fairly complete collection of stamps locally issued during the Spanish régime and those of recent times.

During the year the national museum also took active part in the special art exhibit at the Malacanan Palace.

PHILATELIC COLLECTION

Over 15,500 specimens of postage stamps, both local and foreign, were transferred by the bureau of posts to the national museum during the year, and there still remains to be transferred some 20,000 more specimens after the stamps have served the purposes of the postal investigating committee. The stamps are being properly classified and kept in well-bound albums for proper preservation and display. The preservation of stamps is a work that is very tedious and needs painstaking effort. With the limited personnel of the bureau only one employee could be detailed to the work, and it will therefore take sometime before the collection becomes finally arranged, but, once arranged, it enhances greatly in value. The collection of the bureau is being kept up to date by arrangements made with the Universal Postal Union Committee at Berne, Switzerland, to furnish the national museum with specimens of all current issues of stamps from all nations of the world affiliated to the union.

RECLASSIFICATION OF SPECIMENS

During the year the ethnographical section continued the reclassification of specimens begun in 1929, according to the ethnic groups represented, and introduced a new and instructive method of displaying specimens—the “study series” method.

A general cleaning of the specimens had also been done simultaneously with the reclassification. Some specimens which were found useless for museum purposes, and which only deprived more important objects of space, were condemned with the approval of the insular auditor.

Seven wall showcases were constructed for the exhibition of the “study series.” This method has a double purpose—to exhibit the specimens in an interesting manner and to facilitate the research work of students in Philippine ethnography. Specimens are arranged according to types, irrespective of place of origin. A general label accessible to the visitor is placed in front of the case. This contains a general description of each. The specimens are so numbered as to correspond to the numbers of the general label.

Great difficulty was encountered in the work because the selection of objects of the same variety or type had to be made from among thousands of unclassified materials stored in the storeroom. Much credit is due to the curator, Mr. R. E. Galang, whose patience and experience have contributed to the early termination of the work.

BUILDING AND GROUNDS

During the year minor repairs and improvements were made in the marble hall and its corridors, the hall having been abandoned for several years, except for its occasional use for some state festivities or ceremonies. The corridors were painted at several places where the paint was scaling off. Transparencies and awnings were put on the windows, giving a highly beautifying and refreshing effect.

Several improvements on the sales agency building housing the ethnographical section had been effected during the year 1930. By executive order No. 270, series of 1929, the whole block known as block No. 187, was reserved for the national museum. Consequently the premises formerly occupied by a model house belonging to the city of Manila were cleared, and a wire fence was built around the entire block. The planting of shrubbery to relieve the barrenness of the surrounding grounds had been put off for the following year in the hope of securing appropriation for filling up the low places.

The corridor of the building was repaired by removing the pavement that had been sinking and completely replacing it with a new one. An elevated concrete roadway from the building to Twenty-fifth Street was constructed. A complete repainting of the walls and ceilings of all the rooms of the Sales Agency Building, which were badly discolored, had to be postponed for the next year due to shortage of funds. All window curtains, as well as those of showcases, used to shut off strong direct sunlight which discolors the specimens, were renovated during the year.

The most important improvement was the construction of seven wall showcases. Although they were not varnished during the year, their construction partly solved the problem of exhibition space. In these cases were exhibited specimens for the “study series.”

CHANGES IN PERSONNEL

The personnel of the bureau remained practically the same, except for the untimely death of Director M. de Yriarte on November 4, 1930. Dr. Leopoldo Faustino, chief geologist of the bureau of science, was designated by the secretary of agriculture and natural resources acting director of the national museum. He was later designated special representative of the department of agriculture and natural resources to the Paris International Exposition, and Assistant Director A. S. Arguelles, of the bureau of science, was designated acting director of the national museum on December 3, 1930.

NECROLOGY—MANUEL DE YRIARTE

Don Manuel de Yriarte, organizer and first director of the national museum, died November 4, 1930. He came from a distinguished family and was born in Manila on August 23, 1864. In his early years he took up military course, but later dropped it, as he was more inclined toward literature. He was one of the first Filipinos to be called into public service by the early American administrators, receiving his first appointment on June 7, 1899, as chief of the archives bureau. He held various positions in the government, and on May 20, 1909, was appointed second assistant executive secretary. He remained in that position until April 1, 1916, when he was appointed assistant director of the Philippine library and museum. He stayed in the library post until August 31, 1918, when he left the government service to work for a business firm. In 1927 he was recalled to government service, receiving an appointment as assistant purchasing agent of the bureau of supply. In 1929 he was appointed head of the national museum of the Philippines, a newly created bureau under Act 3477. He was very much devoted to museum work and held the position of director of the bureau until his death.

MISCELLANEOUS

The exhibition halls of the national museum were opened during the first 11 months of the year from 8 a. m. to 12 noon, and from 1 to 4 p. m. during week days, and 7.30 a. m. to 12.30 p. m. during Saturdays. During the last part of the year the halls were opened to the public during Saturday afternoons from 2 p. m. to 4 p. m., and during Sundays from 9 a. m. to 12 noon, thus giving students and workingmen a chance to see the exhibits.

Recorded attendance to the exhibition halls of the national museum totaled over 13,000, as compared with 10,000 for the year 1929, an indication of the increasing interest on the part of the general public, more particularly the students, to the exhibits of the museum. The public in general, and the schools and universities in particular, are becoming more interested in the museum as an institution of learning. Several requests to visit the museum from schools and colleges were received. These visits of students were educational in nature, being made for the acquisition of knowledge to complement their studies in the schools. Private persons, especially tourists and scientists from different countries, also visited the museum and made use of the collection. It is hoped that with an adequate building and scientific display of specimens, public interest in this institution will be aroused, thereby extending to the greater number of people the facilities for study, investigation, and dissemination of knowledge, which is the ultimate purpose of the organization of this institution.

During the year several lectures were given by the chief of the museum division and by the curator with a view to educating the public and for the benefit of clubs interested in museum work. Publication in the local papers of articles regarding the museum and scientific treatises on the exhibits was also made.

III. SPECIAL ACTIVITIES

RICE AND CORN FUND

[Act No. 2818, as amended]

Up to December 31, 1930, there were 556 agricultural credit cooperative associations distributed in 43 Provinces, 29 of which obtained in 1930 loans under Act 2818, as amended, amounting to ₱179,980. At the close of the year 1931

associations remained indebted to this fund in the amount of ₱625,425.34. During the year ₱106,697.25 was received as repayment of loans, in addition to ₱35,621.44 which correspond to the interest thereon.

The following table shows the status of the rice and corn fund as of December 31, 1930:

Rice and corn fund Act No. 2818, special fund January 1 to December 31, 1930

Balance of appropriation, Jan. 1, 1930-----	₱1, 221, 132. 55	
Transferred to the bureau of lands-----	300, 000. 00	
		921, 132. 55
Interest collected in 1930-----	₱35, 621. 44	
Expenses -----	14, 833. 66	
Net gain-----	20, 787. 78	20, 787. 78
Balance of appropriation Dec. 31, 1930-----		941, 920. 33
Cash—Insular treasury-----	306, 966. 49	
Outstanding loans receivable-----	635, 425. 34	
Accrued leave payable-----		470. 05
Accounts payable -----		4. 45

STOCKS, HERDS, AND FARMS

[Acts 2758 and 3632]

As in 1929, there were 3 stock farms in operation in 1930—1 in Dumarao, Capiz; 1 in Ubay, Bohol; and 1 in Bongabon, Nueva Ecija. These farms have been under the supervision of the bureau of animal industry since January 1, 1930.

The major activities in farm improvements and animal transactions during the year were confined mostly to the Bongabon stock farm. The Dumarao and Ubay stock farms were more or less inactive during the past year as regards animal transactions due, very largely, to difficulties encountered in connection with accounting regulations. The following table gives a summary of the animal transactions in the three farms during the year:

Summary of animal transactions, Bongabon, Dumarao, and Ubay stock farms, 1930

Kind of animals	On hand Jan. 1, 1930	Births	Pur- chases	Trans- ferred to other stations	Deaths	Sales	Received from other stations	On hand Dec. 31, 1930
Nellore cattle-----	857	69	-----	18	33	75	137	937
Grade cattle-----	2, 011	187	-----	-----	32	259	3	1, 910
Native cattle-----	321	1	-----	-----	41	19	-----	262
Nellore-Hereford cattle-----	1	-----	-----	-----	-----	1	-----	-----
Ayrshire-Nellore cattle-----	2	-----	-----	-----	-----	-----	6	8
Nellore work bullock-----	-----	-----	-----	-----	-----	-----	1	1
Indian buffaloes-----	77	8	-----	-----	-----	2	-----	83
Native carabaos-----	92	1	-----	3	5	27	-----	58
Cambodian carabaos-----	122	4	-----	3	11	16	-----	96
Grade buffaloes-----	6	2	-----	-----	-----	-----	-----	8
Native horses-----	6	-----	4	-----	-----	-----	4	14
Mule-----	-----	-----	-----	-----	-----	-----	1	1
Total-----	3, 495	272	4	24	122	399	152	3, 378

The total asset at the close of 1930 amounted to ₱390,504.92.

FIBER STANDARDIZATION BOARD

Membership.—The ad interim appointments of Dr. S. Youngberg as chairman and executive officer, and that of Dr. M. L. Roxas, as member, of the fiber standardization board, effective as of January 1, 1930, were submitted by your excellency on July 16, 1930, to the Philippine Senate and were duly confirmed by

a resolution of that body on November 6, 1930. The membership, therefore, of the board during the year is composed as follows:

Name	Representing—	Term expires
Dr. S. Youngberg.....	Chairman and executive officer.....	
Dr. M. L. Roxas.....	Producers.....	Dec. 31, 1932
Mr. S. P. Gaches.....	Producers.....	June 30, 1931
Mr. R. J. Fernandez.....	Dealers or middlemen.....	June 30, 1932
Mr. J. T. Knowles.....	Exporters.....	June 30, 1931
Mr. L. L. Spellman.....	do.....	June 30, 1932
Mr. J. M. Elizalde.....	Manufacturers.....	Do.

Personnel.—At the end of the year 1930 there were 83 officers and employees of the board, 26 of whom were in the administrative force, 56 in the inspection service, and the office physician.

Beginning with the year 1930 all vacancies in the probational apprentice class of the fiber inspection service were filled by applicants from the college of agriculture graduates only, and these had to pass the color test and physical examination conducted by the manager of the Philippines Fiber Inspection Service and the office physician, respectively, before their names were submitted to the board for appointment as probational apprentice fiber inspectors. Promotions in the service during the year were recommended only after passing the practical examination given by the manager of the Philippines Fiber Inspection Service covering the grading of fibers and the rules and regulations promulgated by the board.

Inspection stations.—The number of inspection stations since 1918 has remained the same. The stations are as follows: Manila, Cebu, Davao, Logaspi, Casiguran, Malitbog, and Zamboanga. However, beginning December 1, 1930, Malitbog station was placed directly under Cebu station, and the inspector in charge will be changed once a month, so that the classification of fiber from the same districts at these two stations will be on the same level.

Grading-baling establishments.—At the beginning of the year there were 97 grading-baling establishments. However, 12 of these discontinued operation on or before the expiration of their permits on June 30, 1930, so that at the end of the year there were only 85 grading-baling establishments in actual operation.

Administrative order and circular.—Circular No. 1, which was approved by the secretary of agriculture and natural resources on February 8, 1929, has been in effect during the year 1930. Administrative order No. 5 was revised on July 1, 1930, and superseded by administrative order No. 6, which took effect on January 1, 1931.

Inspection fee.—The amount of inspection fee charged for each bale of Philippine fiber inspected, stamped, and certified, whether approved or rejected or reclassified from approved bales, has not been changed. It remained at 10 centavos per bale during the entire year of 1930.

Scope of work.—From January 1, 1930, to December 31, 1930, there were inspected, approved, and certified 1,411,731 bales of Philippine fibers with established grades. The rejections during the same period were 43,424 bales, and 8,129 bales were reclassified from approved bales.

Comparison of bales.—During the year, in order to make the grading by the grading establishments at the different stations uniform, monthly comparisons of bales graded by these establishments were conducted by the chief fiber inspectors at those stations. This feature of the work will be continued.

London conception of J1.—During the latter part of 1930 there were returned from London by the Manila Hemp Association four bales of Grade J1 out of a parcel of 100 bales. The grading of these bales were considered by the London people as being between J1 and J2, and the parcel was allowedance. However, upon reinspection by the members of the fiber standardization board and by the manager of the Philippines Fiber Inspection Service, they were unanimously of the opinion that the allowance on this parcel was certainly not justified, and that all the four bales were a nice delivery of J1, and evenly classified with the exception of perhaps two hanks, which were found in the first bale opened, and which may be considered slightly coarse for the grade. The cleaning, with the exception of these two hanks, in all four bales was

good cleaning and the color fully J1. The fiber was inspected under ideal grading conditions. The day was clear, no shadow, no reflection of lights, and the walls in the place were clean and cream colored, facing toward the north. The chairman therefore wrote to the Manila Hemp Association, London, giving them the result of the inspection and suggesting that if the manufacturers wish a better quality of fiber than the one arbitrated that they should buy the next grade above J1, which is I.

Complaints re weak fibers.—During the year the board also received a letter from the Manila Hemp Association, London, regarding weak fiber. This was turned over to the manager of the Philippines Fiber Inspection Service for comment and action, and I hereunder quote part of his memorandum, which is self-explanatory:

"So far as the admixture of perished fiber is concerned, although there are traces of it on inspection here, there appears to be a good deal more found on inspection at the other end. I can not help thinking that fiber which is sound here deteriorates in strength between the time it is inspected here and on the other side. There is a certain fiber which is discolored, and I understand this discoloration is caused by fermentation. On testing the strength of this fiber here it is often found to be quite strong, but I am fairly certain that in the course of a month or two it begins to rot.

"I do not know whether it is possible for the board to enact an ordinance that all fiber of this nature, although apparently strong, shall be graded as damaged. In my opinion it would certainly do a lot of good if it were feasible for the board to take such action."

No definite action in regard to the suggestion of the manager was taken by the board, as it is impossible to tell when the fiber will become weak. However, the manager took it upon himself and gave instructions to fiber inspectors to be more strict in the inspection of doubtful fibers.

Finance.—On January 1, 1930, there was a cash balance in the treasury, as per trial balance of ₱187,353.67, and during the year 1930 there has been collected ₱168,012.39, making a total of ₱355,366.06. The disbursements during the year 1930, including the 20 per cent turnover of ₱51,100 to the director of the bureau of plant industry, amounted to ₱221,450.33. At the close of business at the end of the year we had a superavit of ₱133,915.73.

Agricultural aid.—On October 1, 1930, the board passed a resolution instructing the secretary-treasurer to turn over to the director of the bureau of plant industry the amount of ₱51,100, which represents a trifle more than 20 per cent of the total receipts of the board during the year 1929. This amount will be used by the director of the bureau of plant industry, with the approval of the honorable the secretary of agriculture and natural resources, for the continuance of the research work in connection with Philippine fiber. The plan includes the following projects:

1. Field tests of varieties;
2. Improvement of the present methods of culture;
3. Study of pests and diseases and their control;
4. Improvement of the culture and preparation of mague and sisal; and
5. Other activities which may be desired by the fiber-standardization board.

In addition to the above outlined projects, the board recommended that a certain amount of work be devoted in the field among the fiber producers, in order to improve the present deplorable condition of their products, especially in regard to admixture of cleanings and colors in the same hank of fibers.

It was also thought that this matter of 20 per cent turnover will depend upon the amount of collections of the board each year, and that as there is no assurance that the board will be able to make this turnover every year, the director of the bureau of plant industry, who happens to be also a member of the board, was requested to bear this in mind in carrying out his plans. The attention of the board was called to the small collections this year due to the decrease in the production of fibers. And for obvious reasons, due to depressed market conditions, the board does not see fit to raise the inspection fee.

Sumatra abaca and Philippine deco.—During the latter part of 1930, the board bought a bale each of the three grades of Sumatra abaca from New York for the purpose of showing the Philippine producers and dealers what other countries are doing in the production of this kind of fiber. A general circular was issued to the Philippine producers and dealers to view these three bales before they were turned over to Ynchausti Rope Factory for further tests. I am inclosing herewith a very comprehensive and valuable report prepared and submitted by Mr. Joaquin M. Elizalde, of Ynchausti & Co., who was kind

enough to furnish same to the board. Mr. Elizalde advised the members of the board that, although the samples of the rope manufactured from the Sumatra fiber are weaker than the Philippine abaca rope of equivalent grade, they nevertheless went beyond the United States Navy specifications for breaking strength requirements, which is 8,000 pounds for 3-inch rope. This, in his opinion, makes the matter more serious. He also mentioned the possibility of blending low grades of Manila abaca with Sumatra abaca. He said that J1 or J2 could be blended with 25 to 30 per cent of either superior or medium Sumatra fibers, which would make a rope as good in color as that of Grade F.

In view of the above, Mr. Elizalde believed that if the Sumatra fiber could be purchased at the price of J2, there is no question that it will eventually drive the lower grades of manila abaca out of the market.

Mr. L. L. Spellman, one of the members of the board, furnished the Ynchausti Rope Factory with two bales of Philippine deco for the purpose of making experiments similar to the ones made on Sumatra deco. The purpose is to compare the quality of rope made out of these two fibers, cleaned by the same method, but raised in different countries. The report of the experiment on Philippine deco has not, up to the present writing, been received by this office.

Conclusion.—In spite of the fact that the fiber trade during the year 1930 was not as brisk as was to be expected, we have received no serious complaints and the fiber trade was in full cooperation with the rules and regulations prescribed by the fiber standardization board.

IV. CONCLUSION

During the year the agricultural and natural resources of the country were subjected to considerable strain not only by the world-wide economic depression but also by such natural calamities as pests, diseases, and typhoons. Although these unfavorable conditions are to be regretted, they served to bring out unmistakable evidences of the nation's potentiality for strength to face such problems and withstand successfully their effects. Moreover, means are not wanting for the better solution of similar problems in the future, and progress was manifested in some lines—mining and cultivation of public lands, for example. All things considered, therefore, the general situation may be said to have been satisfactory and certainly much better than that obtaining in other countries.

Respectfully submitted.

RAF. R. ALUNAN, *Secretary.*

ANNUAL REPORT OF THE SECRETARY OF COMMERCE AND COMMUNICATIONS

DEPARTMENT OF COMMERCE AND COMMUNICATIONS,
Manila, April 4, 1931.

His excellency the GOVERNOR GENERAL, *Manila.*

SIR: I have the honor to render the annual report of the department of commerce and communications for the year ending December 31, 1930, as follows:

Since the year 1929 this department, in its desire to improve the efficiency of the service, has inaugurated a policy of doing away as much as possible with paper work. When matters requiring action could be transacted through conferences or personal investigations the same was always resorted to. The result of this policy is most gratifying. Not only does it minimize the red tape usually complained of by the public which transact business with the government but to a great extent it serves to insure better understanding between the government and the taxpayers. Despite this policy, however, the volume of correspondence handled by this office during the year 1930 has enormously increased as compared with the year 1929. In 1929 the total number of correspondence acted upon by the department consisted of 21,074 sets, while during the year under review the total reached 26,022 sets, or an increase of 5,948 sets. This increase in the volume of correspondence handled was mostly due to the greater activities which this department has undertaken.

GREATER RESULTS OF THE YEAR'S WORK

The outstanding accomplishments and important activities undertaken under the supervision of the department of commerce and communications during the past year are the following:

PUBLIC WORKS

Surfaced roads constructed and designated first class-----	kilometer--	526.5
Reinforced concrete bridges and culverts completed (in this figure concrete pipe culverts are not included)-----	number--	61
Successful deep wells completed-----	do-----	91
Reinforced concrete buildings completed (including only buildings of over 100 cubic meters capacity)-----	do-----	162
Insular irrigation systems completed-----	do-----	1
Waterworks projects completed (total population served, 63,680)-----	do-----	129

POSTAL SERVICE

New post offices were established and the status of offices already in operation were raised as from fourth class to third class or even second, third to second or even first class, and second to first class. There were 12 more post offices, 21 more money-order offices, 11 more postal-savings bank offices, and 13 more telegraph offices, including radio offices, in 1930 than in 1929.

Transportation of mails had been speeded up by the systematic use of all available transportation facilities, whether on land or on sea. Routes were shortened or merged, or new ones established to facilitate the carriage of mails. Schedules of letter-carriers were either revised or changed, or new ones put into effect to insure prompt delivery of mails at destination. In out-of-the-way places where no carrier service could be provided due to lack of funds, the cooperation of civic-spirited citizens was solicited and secured to receive and deliver mails.

Various improvements in the existing system had been introduced, the most important of which are:

1. Mails which were formerly reworked in the railway postal offices are now being made in direct dispatches by the Manila post offices. This gives better

¹ Include two improvements and one extension.

protection to the mails as handling in Manila is always under the close supervision which is not possible in the railway post offices.

2. The use of savings deposit stamps had been discontinued, in lieu of which a new form which serves the purpose of an application and receipt as well had been substituted. It has resulted in the saving of time, labor, and supplies, while at the same time according proper safeguards to depositors.

3. Regulations had been changed to permit the cashing of a money order in any office other than the office of issue and payment within 30 days from the date of issue without any extra charge, to the benefit and convenience of the public, especially the business men and traveling agents.

At midnight on September 16, 1930, the nine radio stations of the Radio Corporation of the Philippines were taken over by the bureau of posts and since then the handling of the domestic telegraph and radio service was again entirely in the hands of the bureau of posts. The bureau of posts effected a reorganization of the nine stations without interference to the regular business. At no other time had the government rendered such generally good telegraph and radio service as that which was demonstrated from the time it resumed operation of the domestic radio business as evidenced by written comments of many private individuals and business firms. In a word, the handling of the radio communication by the bureau of posts has so far been efficient.

COMMERCE

A very weak demand for Philippine products abroad and the persistence of abnormally low prices for most Philippine staples both in foreign and in the local markets, which necessarily cut down to a low level the purchasing power of the people here, caused a marked decline in business and trade in the Philippines during the year 1930. This situation was but natural, considering the world-wide scope of the business depression which characterized the past year and which continues even to-day.

Compared, however, with the situation in other countries, Philippine business in 1930 has fared better. The islands were not as severely hit by the world-wide depression as most other countries, not excluding the United States, were. No serious problem of unemployment has been met; business failures were not so numerous; and the general decline in trade did not bring about any real suffering or discomfort among the masses of the people. The reductions in business activity in the country were not so extensive. Total foreign trade fell 17.8 per cent, exports 19.2 per cent, imports 16.35 per cent, gross sales of merchants in the domestic trade 16.35 per cent, agricultural production 3.28 per cent, wholesale prices of the leading staple crops of the country 11.14 per cent, debits to individual accounts in Manila banks 6.14 per cent, circulation 10.52 per cent, and building construction in the city of Manila 9.9 per cent.

The total foreign trade of the islands decreased by ₱110,694,072 in 1930 as compared with 1929. This represents a drop of 17.8 per cent. Exports decreased from a total value of ₱328,893,685 for 1929 to ₱266,334,255 in 1930, a difference of ₱62,559,430, which means a decrease of 19.2 per cent. Imports also decreased by ₱48,134,642, or 16.35 per cent.

The greatest reductions in exports during the year were those of coconut products, especially coconut oil, hemp, sugar, embroideries, hats, tobacco products, and lumber and timber. Sales of Philippine coconut oil abroad for the year 1930 as compared with 1929 showed a decline amounting to ₱20,059,120; hemp exports decreased by ₱19,987,748; embroideries, ₱4,703,358; copra meal, ₱3,801,124; tobacco products, ₱1,907,117; hats, ₱1,554,244; lumber and timber, ₱1,751,134; and sugar, ₱2,007,847.

In the import trade the most notable decline was that for rice, the imports of which during the year 1930 amounted to only ₱1,511,619 as compared with ₱11,620,026 for the preceding year, or a decrease of 86.99 per cent. The other big reductions in imports were as follows: Cotton and cotton manufactures, ₱16,926,726; iron and steel and their manufactures, ₱5,253,193; mineral oils, ₱2,074,550; automobiles, ₱2,538,917; meat and dairy products, ₱2,527,314; wheat flour, ₱1,137,826; paper and its manufacture, ₱645,307.

The volume of trade activity within the country, as indicated by the sales-tax returns for the year 1930 was 16.35 per cent less than that for 1929, and 12.78 per cent less than the figures for 1928. The value of merchandise sold and resold by merchants in the islands during 1930 was ₱995,202,000, as compared with ₱1,189,749,000 for 1929 and ₱1,141,019,000 for 1928.

The general price level for the country's principal staple crops declined by approximately 12 per cent during the year. The biggest falls in prices were registered for hemp, rice, copra, sugar, and maguay. Hemp prices declined 29.57 per cent; rice, 27.11 per cent; copra, 18.94 per cent; sugar, 16.40 per cent; maguay, 46.69 per cent; coconut oil, 14.18 per cent; and lumber, 8.53 per cent.

Trade in Philippine sugar during the year was characterized by declining prices and restricted volumes of sales. The local, as well as the United States market, where the great bulk of Philippine centrifugal sugar is sold, was eminently a buyer's market throughout the year. Rock-bottom prices were reached in the early part of October, when centrifugals were quoted at ₱7 in Iloilo and 3.30 cents gold per pound in New York. The main cause of this depressed situation in sugar was the big beet surplus production accumulated during the last five years and the failure of consumption to maintain its normal growth.

A no less unfavorable situation prevailed for Philippine copra and coconut oil. The large carry-over from the previous year of cottonseed oil in the United States, abundant supply of other competing vegetable oils and fats, cheap offerings of Straits Settlements and South Sea Island copra, cheap butter which curtailed materially the consumption of oleomargarine—these and other factors steadily pulled down the prices of copra during 1930 to a level perhaps untouched since 1900. The price of coconut oil dropped almost uninterruptedly from 6½ to 5 cents per pound, f. o. b., tank cars Pacific coast. The situation at the end of the year showed no improvement. On the closing days prices touched 5.75 for "Buen Corriente" and the tendency was still to go lower.

Because of the unusually low prices for hemp which prevailed during the year, producers and strippers of this fiber received very little returns for their product. As a result production fell off materially. At the beginning of the year there were large stocks in foreign markets and local ports. But these steadily diminished as the year advanced because of smaller production. The situation was aggravated, however, by the plentiful supply of other competing fibers.

Lumber was not spared by the general slump in business during 1930. Prices of lumber also suffered drastic cuts owing to congestion of stocks in the local market. Although building construction was fairly active during the year, it was confined mostly to Manila and consumption as a result of the activity did not keep pace with production. Practically the same situation prevailed for the other important products of the country.

On the whole, it may be stated that the depressed state of business in this country and in other countries last year has been due mainly to overproduction of commodities. Further improvements in production methods and unrestricted expansion in many lines of industry, which characterized industrial operations during the last few years, have put the world's supply of commodities far ahead of market demand. This state of affairs brought unavoidable complications. The pace of production had to be restrained, and as production fell off the demand for materials of industry was curtailed. This lessened the flow of products from the farms, prices of agricultural staples declined, and general purchasing power diminished. Not until there is a resurgence of demand to a degree sufficient to place consumption into a closer equilibrium with production will a complete return to normal prosperity in business be expected.

INVESTIGATIONS

The result of the investigation of the automobile division of the bureau of public works is another outstanding accomplishment which should be mentioned herein. This phase of the work of the department is a continuation of the unpleasant task which this office has imposed upon itself to undertake since 1929.

The investigation of the automobile division of the bureau of public works shows that 355 cases of malversation of public funds through falsification of official receipts involving thousands of pesos were perpetrated against the government; the amount of revenue representing delinquent registration fees and under collection or leakages which were collected and which would otherwise be not recovered if the investigation were not made had reached to an alarming sum.

Forty-one persons were involved in the irregularities discovered by the automobile investigating committee, seven of whom were prosecuted in court and dismissed from the service, and the rest were administratively dealt with. As a result the administrative action taken against them, drastic penalties were meted out to the guilty parties, the punishment ranges from reprimand and transfer to fines, demotion, or dismissal. It should be stated in this connection, however, that some of the irregularities discovered by the committee regarding delay in the handling of money orders and checks, was due to the shortage of personnel in the automobile division. At the time the investigation was started there were only 56 employees in the division. This number of personnel was increased to 120 as it was found to be physically impossible for such limited number of employees to take care of the great volume of work transacted therein which has constantly increased every year since the automobile division was created.

The effect of the investigation is wholesome. Great changes calculated to improve the general efficiency of the service and to minimize leakages in the collection of revenues as much as possible were introduced. Special improvement has been made in the checking of collections and in the system of keeping records.

The result of the investigation made by the committee appointed under department order No. 134, dated September 27, 1930, against some employees in the bureau of supply in connection with the purchase of carbon papers, etc., is not yet known as the said committee has not yet finished its report. This matter will be treated in a separate report to be submitted to that office as soon as possible.

At this juncture it should be mentioned that the undersigned as undersecretary of commerce and communications made several trips of inspection in Luzon and in the southern provinces during the past year, by request of the secretary. In our inspection we investigated the activities of the bureaus under the department in the provinces. The inspection had been fruitful of good results.

LEGISLATION

During the last session of the legislature this department studied and commented on a total of 41 bills, which originated from the various bureaus under its jurisdiction, and commented on 31 bills received from various members of the house of representatives, and on 12 bills received from various members of the Senate.

It also made a study of and commented on 36 bills which were received from the office of the governor general.

Nine administration bills prepared under the supervision of this department became laws. They are as follows:

1. Act No. 3678, for the protection of persons furnishing material and labor for the construction of public works;
2. Act No. 3679, providing for the operation of interisland radio stations at Laoag, Aparri, Manila, Tacloban, Cebu, Iloilo, Cagayan de Misamis, Zamboanga, and Davao;
3. Act No. 3714, appropriating ₱45,000 for dredging the Port of Manila;
4. Act No. 3715, providing a penalty for merchandise and ship brokers;
5. Act No. 3717, providing an additional appropriation of ₱137,000 for the completion of the post-office building;
6. Act No. 3748, exempting trucks carrying mails from the payment of road tolls;
7. Act No. 3806, authorizing the secretary of commerce and communications to enter into contracts for the transportation of the mails by air;
8. Act No. 3719, making available for expenditure the balance from the appropriation of the post-office building for 1931.
9. Act No. 3687, providing for the participation of the Philippines in the Colonial and Overseas Exposition in Paris in 1931.

Among the most important pieces of legislation sponsored by this department were that appropriating the amount of ₱45,000 for the work of dredging the Port of Manila, the act empowering the secretary of commerce and communications to enter into contracts for the transportation of the mails by air, the two acts providing additional funds for the completion of the post-office building, and the act providing for the operation of interisland radio stations, at Laoag, Aparri, Manila, Tacloban, Cebu, Iloilo, Cagayan de Misamis, Zamboanga, and Davao.

BUREAU OF PUBLIC WORKS

ORGANIZATION AND PERSONNEL

During the year 1930, the Philippine Islands were divided into 49 engineering districts which, with the exception of a separate district for the city of Manila, are coextensive with provincial limits. The bureau of public works has the district engineer as its representative in each district who is responsible for all activities, excepting the larger irrigation projects, which are constructed by project engineers under the direct supervision of the central office in Manila. The central office prepares plans and specifications for construction projects and exercises general supervision over all activities of the bureau.

There were 18 Americans and 570 Filipinos paid direct from bureau and project funds as of December 31, 1930, as against 13 Americans and 540 Filipinos for the previous year. The technical employees as of December 31, 1930, were 9 Americans and 228 Filipinos. The corresponding figures for December 31, 1929, were 10 and 225, respectively.

ROADS AND BRIDGES

Construction work was completed on 526.5 kilometers of first-class roads, 135.8 kilometers of second-class roads, and 102.7 kilometers of third-class roads, making a total of 13,405.5 kilometers of first, second, and third-class roads on December 31, 1930. Improved roads of all classes were maintained at a total cost of ₱7,304,393.34, the average being ₱818.05 per kilometer for first-class roads and ₱264.20 per kilometer for second and third-class roads.

Of the more important bridges that were under construction during the year, 10 were completed with an aggregate span of 563.15 meters at a total cost of ₱592,953.85.

PUBLIC BUILDINGS

Of the 826 school buildings, libraries, hospitals, etc., which were under construction in 1930, 391 were completed at a total cost of ₱5,910,513.66. The remaining 433 were in various stages of construction at the close of the year.

• The important insular buildings under construction during the year were:

1. Reconstruction of Malacanang Palace (completed).
2. Bureau of science laboratory building, left wing, (95 per cent completed).
3. Rear wing, Rizal Hall, University of the Philippines (completed).
4. Manila post office (98 per cent completed).

The important provincial buildings under construction during the year were:

1. Mansion House, Baguio (20 per cent completed).
2. Bauan Presidencia, Batangas (40 per cent completed).
3. Bulacan Provincial Capitol, Bulacan (41 per cent completed).
4. Southern Island Hospital extension, Cebu (33 per cent completed).
5. Vigan Provincial Capitol, Ilocos Sur (completed).
6. Provincial Capitol Building, Occidental Negros (completed).
7. Bacolod High School building, Occidental Negros (7 per cent completed).
8. Pampanga Provincial Hospital, Pampanga (completed).
9. Pampanga Provincial High School, Pampanga (95½ per cent completed).
10. Addition to Pasig Capitol Building, Rizal (72 per cent completed).
11. Romblon Provincial Building, Romblon (35 per cent completed).
12. Sariaya Presidencia Building, Tayabas (15 per cent completed).

PORTWORKS

Seven portworks projects were accomplished during 1930, the most important of which were a reinforced concrete pier and marginal wharf at Cebu, Cebu, to accommodate vessels of 30-foot draft and the completion of 700 lineal meters of marginal wharf at Iloilo, Iloilo, for vessels of 18 to 30-foot draft.

FORESHORE LEASE

A total of 1,886 foreshore lease and land applications were investigated and reported on for the bureau of lands during the year, which carries an increase of 12.7 per cent over the total for 1929.

ARTESIAN WELLS

A total of 91 successful artesian wells were drilled in 1930, besides 11 wells which proved unsuccessful. In the previous year 82 successful wells and 9 unsuccessful ones were drilled. These works involved expenditures of ₱183,834.96 in 1930 and ₱215,443.84 in 1929. The bureau of public works also drilled an artesian well for the city of Manila and another for the United States Navy at Cavite, but the entire expenses of these works were defrayed by the parties referred to.

IRRIGATION SYSTEMS

Only one irrigation system was completed in 1930, namely, the Peñaranda River irrigation system, at a cost of ₱3,404,185. It is capable of irrigating 17,300 hectares of rice land.

There were 18 in operation, 3 approved for construction, and 68 under consideration at the close of the year.

Of the 18 government irrigation systems in operation, only 14 were administered by the bureau of public works. The Naic system was operated by the bureau of lands, the Trinidad by the bureau of education, and the Sta. Maria and Ayala system by the municipal council of Zamboanga.

WATERWORKS

Twenty-nine waterworks projects, capable of serving 63,680 people and costing ₱889,733.05, were completed in 1930. At the close of the year there were 76 waterworks projects under construction, estimated to cost ₱6,814,700 and to supply potable water to 379,630 people.

REGISTRATION AND REGULATION OF MOTOR VEHICLES

During the year under review there were 37,667 motor vehicles registered, which included automobiles, motor trucks, and motor cycles, as compared with 32,280 during the previous year. The total collection amounted to ₱2,015,772.49 and the total expenditures to ₱159,080, as against the corresponding figures of ₱1,341,364.17 and ₱154,500 for 1929. There were issued 22,332 student permits and 57,344 licenses to operators of motor vehicles. A more rigid enforcement of the motor vehicle law resulted in the suspension and revocation of more licenses in 1930 than in 1929.

EXPENDITURES

The following is the statement of expenditures supervised during the year 1930 as compared with the year 1929:

Items	1929	1930
Total expenditures.....	₱23,763,830.56	₱29,221,183.14
Total expended upon road and bridge work.....	15,679,012.52	15,083,512.96
Total expended upon building work.....	5,661,840.99	5,910,513.66
Total expended upon port works.....	2,974,991.65	4,750,186.69
Total expended upon water supply.....	1,709,302.33	1,439,563.56
Total expended upon irrigation projects.....	1,190,507.12	637,262.53
Operation of automobile line, quarries, and supervision of motor vehicle traffic.....	499,629.80	344,926.85
Permanent bridges revolving fund.....		210,294.78
Expenditures on miscellaneous items account for the balance.....	1,048,546.10	894,922.11

BUREAU OF POSTS

ORGANIZATION AND PERSONNEL

Number of offices.—At the close of the year there were in operation 986 post offices, 629 money-order offices, 984 postal savings-bank offices, 490 telegraph and radio offices (including those used for relay purposes), an increase over 1929 of 12 post offices, 21 money-order offices, 11 postal savings-bank offices, and 13 telegraph offices.

Besides the regular post offices, there were 56 postal stations and agencies where stamps were sold and letters and articles were accepted for mailing and registration. In remote and out-of-the-way places having no regular free-delivery service, 118 public-spirited citizens consented to act as postal agents without salary to receive the mails and distribute the same to their respective addressees.

Personnel.—Exclusive of mail contractors and mail messengers, there were at the close of the year 4,373 officers and employees in the bureau of posts, or 320 persons (7.89 per cent) more than in 1929. There were 7 (1.01 per cent) more mail contractors and mail messengers in 1930 than in 1929, there being in all in the service 696 mail contractors and mail messengers.

The personnel rendered 719,188 hours of overtime service, 27,663 hours more than in 1929. At their rates of compensation this extra service would have cost the bureau, if paid for, about ₱385,498.20.

POSTAL BUSINESS

There were more transactions with the United States, as 272 dispatches were received, as against 214 in 1929, an increase of 58. The **Philippine Islands** made the same number of dispatches to the United States, 185 in all, in 1930 as in 1929. The pouches, sacks, and cases of letters and registered matters increased. A total of 103,130 insured parcels were received from the United States and its possessions as against 102,939 in 1929, or an increase of 191 (0.1 per cent).

There were also more business with foreign countries. Six hundred and eighty-three dispatches, consisting of 9,397 bags, were made, as against 654 consisting of 8,254 bags, in 1929, an increase of 29 dispatches and 1,143 bags. From these countries 598 dispatches, consisting of 19,087 bags, as against 575, consisting of 17,463 bags, in 1929, or an increase of 23 dispatches and 1,624 bags, were received.

Domestic mail also increased. The Manila post office received from provincial offices 34,487 mail dispatches, as against 33,220 in 1929, an increase of 1,267, the pouches of letters increasing from 42,386 in 1929 to 43,500 in 1930, or 1,114 more pouches. The number of dispatches from Manila increased from 33,952 in 1929 to 66,199 in 1930, or 32,247 more, while the number of pouches increased from 48,436 in 1929 to 51,672 in 1930, a difference of 3,236 pouches.

In all, 3,075,156 registered articles were accepted for registration, which is 1,058,771 (53 per cent) more than in 1929. There were handled 32,909 insured registered articles, as against 32,875 in 1929, an increase of 32 pieces (0.1 per cent).

There was, however, a decrease of 2,960 C. O. D. parcels (2.3 per cent), as there were in 1930, 124,292 C. O. D. parcels, as against 127,252 in 1929.

At the close of the year there were 184 publications entered as second-class mail matter, 101 of which had their offices in Manila, and the rest in Cebu, Iloilo, San Fernando, Pampanga, Baguio, Dumaguete, Naga, Camarines Sur, Dagupan, Laguspi, and Zamboanga.

POSTAL SAVINGS BANK

The income of the bank amounted to ₱681,299.99, which is ₱52,309.88 (7 per cent) less than in 1929. Its expenditures amounted to ₱117,729.72, or ₱8,829.23 (7 per cent) less than in 1929. The net earnings of the bank amounted to ₱302,358.05, which is ₱42,382.06 less than in 1929.

The deposit accounts outstanding at the close of the year were 336,738, or 11,510 (3 per cent) more than in 1929, amounting to ₱8,700,636.53, or ₱5,565.07 (0.06 per cent) more than in 1929.

The total investment of the bank is ₱8,920,296.07, or ₱144,675.41 more than in 1929.

MONEY ORDER AND TELEGRAPHIC TRANSFER SERVICE

During the year 1,318,486 money orders, amounting to ₱56,200,846.92, were issued, showing a decrease of 32,512 (2.4 per cent) in number and ₱3,542,872.13 (5.9 per cent) in amount. The fees received for these orders amounted to ₱326,454.64, which are ₱11,620.16 (3.4 per cent) less than in 1929. In all, 1,454,804 domestic and foreign money orders, valued at ₱66,964,841.52, were paid, an increase of 99,272 (7.3 per cent) in number, but a decrease of

₱4,269,929.68 (5 per cent) in amount. In the international money-order exchange with the United States and foreign countries there was a balance of ₱10,339,824.76 in favor of the Philippine Islands.

Beginning June 6, 1930, money orders payable in Spain were accepted and sent through the intermediary of the post office in New York, to the great convenience of the public, especially the Spanish residents in the islands.

With the conformity of the United States postal administration, the Portuguese colony of Macao extended its money-order service to the United States, through the intermediary of the Philippine Islands, beginning April 1, 1930, a supplementary agreement to this effect having been entered into by the bureau of posts with the postal administration of Macao.

Only 73,488 telegraphic transfers, amounting to ₱11,232,218.97, were issued, which show a decrease of 9,641 (11.5 per cent) in number and ₱2,745,521.93 (19.6 per cent) in amount, as compared with the previous year. Excluding the tolls on the telegraphic transfer messages, which were taken up as telegraph revenues just like ordinary commercial telegrams, the fees of these transfers amounted to ₱52,861.54, a decrease of ₱11,630.14 (18 per cent) as compared with 1929. There were paid 73,361 transfers, with a value of ₱11,264,961.26—9,385 (11.3 per cent) less in number and ₱2,718,155.17 (12.2 per cent) less in amount.

TELEGRAPH AND RADIO SERVICE

The total revenue derived from telegraph and radio service was ₱1,030,119.51, an increase of ₱98,520.97 (10.5 per cent) over the income in 1929. The expenditures, however, amounted to ₱1,300,767.69, consisting of ₱1,013,792.97 charged to the general appropriation, ₱259,860.44 charged to the special public works fund, and ₱27,114.28 charged to Act 3679. The expenditure for the year was therefore ₱110,635.80 more than in 1929. The increase both in revenues and expenditures were due to the transfer to the bureau of posts of the domestic radio service from the Radio Corporation of the Philippines.

At midnight of September 17, 1930, the bureau of posts took over from the Radio Corporation of the Philippines the nine radio stations operated by the said corporation at Manila, Cebu, Iloilo, Zamboanga, Davao, Cagayan de Misamis, Tacloban, Aparri, and Laoag, and since then has resumed in entirety the domestic radio service throughout the islands. Despite the fact that the bureau had very little time to make definite preparation to operate the service, Act 3679 having been approved only on September 8, 1930, and many other difficulties, the service rendered during the period from September 17 to December 31, 1930, was very satisfactory, judging from the records of the bureau and from written comments of many individuals and business firms. The total number of messages handled by the nine stations during this period was 48,629, of which 45,609 were received at the offices of destination in 15 minutes to 1 hour from the time of filing, 47,384 were delivered in 15 minutes to 1 hour from the time they were received at the offices of destination, and 42,631 were transmitted and delivered in 15 minutes to 1 hour from the time of filing.

Radio stations and telegraph offices were established in eight isolated places. The electrical communication system of the bureau of posts, consisting of 425 purely telegraph offices and 65 radio stations—13,722.5 kilometers of telegraph lines and 1,317.5 kilometers of submarine cables—extends from Basco, Batanes, in the extreme north near Formosa, to Bongao, Sulu, in the extreme south near Borneo, dotting all important islands with telegraph or radio stations and connecting them together with a network of cable, telegraph, and radio circuits.

In the operation and maintenance of this vast system, a loss of ₱270,648.18 was sustained, due mainly to (1) destructions by typhoon, (2) the handling of the domestic traffic by the Radio Corporation of the Philippines for eight months and a half of the year, and (3) the general business depression. It is impracticable to reduce expenses exactly in proportion to the probable falling off of revenues without seriously affecting the efficiency of the service. However, after important adjustments and economies have been effected, and as the entire domestic telegraph business is again in the hands of the bureau of posts, it is expected that the financial showing for 1931 will be as satisfactory as it was prior to the entry of the Radio Corporation of the Philippines in the domestic field.

FINANCIAL STATEMENT

The revenue of the bureau amounted to ₱4,430,586.12, which is ₱35,668.16 (0.8 per cent) more than in 1929. As it spent ₱3,584,090.95, only ₱5,671.29 (0.10 per cent) more than in 1929, the net surplus of the bureau amounted to ₱846,495.17, thus enriching the insular treasury by this amount.

BUREAU OF SUPPLY

PERSONNEL

The classified personnel of the bureau of supply proper and the division of cold storage during the year 1930 consisted of the following:

	Bureau of supply proper	Division of cold storage
Total classified employees as of Jan. 1, 1930.....	93	17
Appointments during the year.....	9	4
Reinstatements and transfers to bureau.....	5	
Separation by resignation, transfer, death, etc.....	17	4
Total employees as of Dec. 31, 1930.....	90	17

The unclassified employees as of December 31, 1930, of the bureau of supply proper and the division of cold storage were:

Bureau of supply proper.....	182
Division of cold storage.....	156

PURCHASES

Government purchases in 1930 were made in 29,084 requisitions, distributed as follows:

	1930	1929
From insular bureaus and offices including Government-owned institutions.....	11, 266	9, 533
Cities of Manila and Baguio.....	1, 578	1, 356
Provinces and municipalities.....	15, 532	16, 562
Semigovernmental institutions and private parties (including cement sold to private contractors of bureau of public works).....	678	626
	29, 084	28, 077

These requisitions represented a money value, plus surcharges and transportation charges, of—

	1930	1929
Sales to bureaus and offices.....	₱5, 772, 889. 61	₱5, 194, 666. 28
Sales to Provinces.....	3, 075, 223. 62	4, 084, 506. 17
Sales to municipalities and cities.....	2, 261, 341. 71	1, 839, 793. 71
Sales to private parties.....	1, 656, 758. 22	826, 067. 32
Total.....	12, 766, 213. 16	11, 945, 033. 48

The requisitions for 1930 were filled in with supplies from the following sources:

	1930	1929
From local merchants:		
Thru bureau of supply.....	₱8, 342, 161. 61	₱9, 531, 759. 62
Under the direct order and payment system.....	1, 808, 949. 00	1, 235, 092. 50
From the United States.....	3, 450, 320. 83	1, 549, 708. 26
From foreign countries.....	993, 680. 69	14, 062. 71
Total.....	14, 595, 112. 13	12, 330, 623. 09

The bureau in 1930 spent ₱3,355,669.75 for stock goods, ₱1,192,384.90 worth of which was left outstanding as of December 31, 1930.

There was registered a gross income in the bureau of supply proper, from surcharges and miscellaneous sources, of ₱903,837.33, with total expenses of operation amounting to ₱351,040.45, showing a net income of ₱552,796.88 for 1930, as against a net income of ₱327,489.84 for 1929. The financial operation of the division of cold storage is treated hereafter.

BUYING DIVISION

Principal functions: Secure quotations by means of circular proposals or daily requests for prices, make purchases of articles needed at best bids offered, and correspond with requisitioners as regards substitutes or incomplete descriptions.

All purchases of the bureau, whether for stock or for filling particular requisitions, are made by this division. In 1930 it issued 67,000 buyers' orders, 2,821 letter orders, and 768 contracts, based on 357 circular proposals.

This division, in view of its volume of work, needs at least two more buyers.

ACCOUNTING DIVISION

Principal functions: Making payment for supplies, transportation, and other services; billing supplies furnished to requisitioners; importations of supplies from United States and abroad; and keeping of accounting books and correspondence records.

This division in 1930 received payments in the total sum of ₱12,427,402.30 in 7,005 official receipts; it in turn made payments in the total sum of ₱12,777,431.12 in 20,106 treasury warrants; 42,179 sales vouchers were rendered by it to about 800 government branches.

DIVISION OF SUPPLIES

Principal functions: Storing of supplies in warehouses; shipment of supplies to provincial and municipal requisitioners; see that stocks of supplies are constantly replenished and submit requisitions therefor to the purchasing agent; and receive and record requisitions received from other branches of the government and fill same from stock, if available therefrom.

This division fills all requisitions that can be filled from stock on hand. During 1930 this division handled the following: 48,183.228 tons of supplies shipped to Provinces, municipalities, the United States, and foreign countries, consisting of 659,508 cases, crates, bundles, and packages. The division also received from the United States and foreign countries 54,028 packages, weighing 11,214,066 tons; 150,134 barrels of cement, and 18,151.339 tons of coal were handled by it.

INSPECTION DIVISION

Principal functions: Inspection of deliveries on bureau of supply orders, and approval of bills of merchants after inspection.

This division was organized in 1928 and is at present a permanent division, although the limited appropriation therefor makes imperative, for its proper functioning, the detail therein of employees from other divisions. The division is used and is valuable in the check-up of deliveries in regard to quality and quantity. It, furthermore, keeps a record of all prices of supplies bought by the bureau.

EARNINGS

The gross earnings for 1930 were ₱490,180.30, a decrease of ₱11,717.14 from that of 1929, itemized as follows:

	1929	1930	Increase	Decrease
Cold storage.....	₱185,433.64	₱186,558.04	₱1,124.40	
Ice.....	266,124.38	252,984.77		₱13,139.61
Water.....	47,466.31	47,851.59	385.28	
Electric current.....	2,195.40	1,549.51		645.89
Miscellaneous.....	677.71	1,236.39	558.68	
Totals.....	501,897.44	490,180.30	2,068.36	13,785.50
Net decrease.....				11,717.14

EXPENSES

The expenses for operation and maintenance were ₱451,521.80, which, compared with the expenses for the year 1929, amounting to ₱459,056.65, shows a decrease of ₱7,534.85. Deducting the expenses from the gross earnings of ₱490,180.30 leaves a surplus of ₱38,658.50. Deducting the cost of equipment purchases and reduction of supplies due to the sales of stock no longer necessary, amounting to ₱16,351.30, gives a net gain of ₱22,307.20.

The total expenses in salaries and wages for operation and maintenance was ₱117,920.22, which, compared with ₱118,798.40 of the previous year, shows a net decrease of ₱878.18.

COMMITTEE ON STANDARDIZATION OF SUPPLIES

This committee, composed of the purchasing agent, the director of public works, and the director of science, is in charge of selecting standard equipments for the government service. Lack of personnel has been a great handicap to this committee. However, some standard equipments have already been selected, as follows: Cement, roofing sheets, road-paving asphalt, disinfectant, paints and paint materials (33 items), typewriter ribbons, gasoline, wheelbarrow, typewriter paper (tentative), inks, flags (United States and Filipino), floor wax, steel office furniture (D. O. & P. S.), and toilet paper.

It is of interest to mention here the value of annual purchases made by the bureau of supply of some items covered by the above standards.

Cement.—The government spends annually ₱1,000,000 for the cement which it uses.

Roofing sheets.—The bureau of supply purchases annually about ₱500,000 worth of both corrugated and plain.

Road-paving asphalt.—The government requirement of this material is constantly on the increase. In 1928 and in 1929 about 2,000 and 4,000 tons of asphalt, respectively, were used. In 1930, 9,570 tons were contracted for, delivery of which is nearly completed. This means an investment on this item during the year under review of about ₱460,000.

Stationery supplies (such as typewriter paper, typewriter ribbons, carbon paper).—In 1930 more than ₱1,000,000 worth of office supplies and materials were used.

Paints and paint materials.—The government consumption amounts to about ₱200,000 annually.

Gasoline.—The government spends about ₱250,000 every year on gasoline. (In 1930, ₱261,982.03.)

BUREAU OF COMMERCE AND INDUSTRY

ORGANIZATION AND PERSONNEL

The general organization plan of the bureau remained unchanged during the year under review.

The most important change in personnel which occurred in 1930 was the appointment of a permanent director of this bureau, which position remained vacant since the resignation of former Director Fidel A. Reyes on July 15, 1929. The new incumbent, ex-Representative Tomas Confesor, assumed office as director on November 26, 1930, relieving Mr. Manuel J. de la Rama, who had been acting director since November 4, 1929.

The entire force of the bureau of commerce and industry at the end of 1930 was 936, as against 862 in 1929, showing an increase of 74.

ACTIVITIES

The bureau of commerce and industry found a much-increased public demand for its trade services during the year 1930. More people went to it for direct aid in securing information, data, or advice relative to trade and commercial matters. Both the daily correspondence of the bureau and the personal calls made in its offices showed marked increases over the previous year. The publications of the bureau were in greater demand. These facts may be gleaned from the following comparative data on the number of commercial inquiries received and answered by the bureau and the copies of its various publications distributed during 1929 and 1930:

	1929	1930	Increase
Trade inquiries received and answered.....	3,359	4,734	1,375
Personal calls at bureau's offices.....	504	769	265
Copies of publications distributed.....	7,451	15,593	8,142
Copies of market reports distributed.....	156,745	166,707	9,962

The inquiries covered a wide range of commercial subjects, and in order to answer all of them the bureau had to undertake a great amount of field investigation and research work. The results of these trade investigations were placed at the service of business men, farmers, manufacturers, merchants, students of business, and others interested in them through letters sent to them by the bureau in answer to their inquiries and also by means of its publications. The bureau continued publishing the Commerce and Industry Journal every month and put out the 1929 Statistical Bulletin.

Other outstanding accomplishments and important activities undertaken by the bureau of commerce and industry during the past year are the following:

Through its market-quotations service it kept the public informed of the movements of prices in the domestic and foreign markets of the most important commodities. The bureau published the daily, weekly, and monthly market reports and distributed them throughout the country by mail, by telegraph, and by radio. It kept local traders constantly informed of the prices abroad through the maintenance of a weekly cable service from New York, London, Hong Kong, and Saigon.

The bureau continued its work of organizing farmers in the Provinces into cooperative marketing associations and succeeded in forming 21 new associations during the year—8 in central Luzon, 5 in the Bicol region, 6 in the Visayan Islands, and 2 in Mindanao. It also took an active part in arranging for the organization of a Philippine Rice Growers' Association and in the subsequent efforts of the association to establish a farmers' bank.

The gathering and preparation of the Philippine commercial and industrial exhibits for the International Colonial Exposition in Paris was another work undertaken by the bureau last year. A new and varied display of Philippine products was also placed by the bureau at Pier 7 for visiting tourists and commercial travelers.

The enforcement of the new bonded rice warehouse law, which took effect on January 1, 1930, was intrusted to the bureau of commerce and industry. The bureau detailed agents to central Luzon to inspect the rice warehouses carefully and to see that the new law was enforced. This law has served as a stimulus to farmers to build their own warehouses. In 16 towns of Nueva Ecija no less than 110 new warehouses were built during the year, with a total storage capacity of 29,341 cubic meters of space.

The free tourist-guide service of the bureau was continued during the year, and 2,234 tourists and commercial travelers were directly assisted by the guides supplied by said office.

The bureau of commerce and industry also realized a total income of ₱201,003 during 1930 from collections of mercantile register fees, fines, and forfeitures, sales of fixed assets, fees for issuance of certified copies of articles of incorporation and other papers, and other miscellaneous receipts. The income realized in 1930 was ₱8,396.70 greater than that of 1929.

During the year under review the bureau made a total savings of ₱36,730.81 out of the appropriations for salaries and wages, sundry expenses, and furniture and equipments.

The bureau's marine railway and repair shops in Engineer Island made a net profit of ₱1,418.74 during 1930, whereas in 1929 there was a net loss of ₱46,400.08.

FINANCIAL STATEMENTS

EXPENSES

The expenses of the bureau, excluding the marine railway and repair shops, during the year 1930 totaled ₱1,178,335.16, or an increase of ₱96,958.98, as compared with those of the previous year, as shown below.

	1930	1929	Increase or (decrease)
Administration.....	P179,942.98	P88,596.15	P91,346.83
Trade promotion service.....	180,521.67	165,504.48	15,017.19
Steamship service.....	619,207.24	633,010.36	(13,803.12)
Lighthouse service.....	198,663.27	194,266.19	4,398.08
Total.....	1,178,335.16	1,081,376.18	96,958.98

INCOME

A comparative statement of the income of the bureau proper for the years 1929 and 1930 is given below.

	1930	1929	Increase or (decrease)
INCIDENTAL REVENUE			
Fines and forfeitures.....	P13.86	P4.84	P9.02
Mercantile register fees.....	57,965.10	62,651.00	(4,685.90)
EARNINGS AND OTHER CREDITS			
Service income:			
10 per cent surcharge on supplies sold.....	2.46	12.76	(10.30)
Fees for issuance of certified copies of articles of incorporation, etc.....	5,650.50	5,217.70	432.80
Operation of vessels.....	90,055.70	107,165.09	(17,109.39)
Sales of fixed assets.....	1,105.84	1,638.66	(532.82)
Inventory adjustment.....	5,259.84		5,259.84
Miscellaneous receipts.....	5,012.21	3,647.13	1,365.08
Credit adjustment prior year expense.....	35,937.87	12,269.50	23,668.37
Total.....	201,003.38	192,606.68	8,396.70

MARINE RAILWAY AND REPAIR SHOPS

The following is the statement of income and expenses of marine railway and repair shops from January 1 to December 31, 1930:

Income:			
Service income on repair work.....			P263,449.97
Service income on docking.....			3,013.21
Other income—			
Income from rentals.....		P261.00	
Sales of fixed assets.....		208.29	
Miscellaneous receipts.....		363.55	
Credit adjustment prior year expense.....		18,046.26	
			18,879.10
Total income.....			285,342.28
Expenses:			
Productive labor—			
Repair work.....	120,237.01		
Docking.....		758.82	
			120,995.83
Supplies and materials put in process—			
Repair work.....	48,557.30		
Docking.....		6.30	
			48,563.60
Administrative and factory expense—			
Salaries.....	12,920.44		
Wages.....	41,468.72		
Clothing allowance of watchmen.....	90.45		
Travel expenses of personnel.....	99.94		
Postal, telegraph, telephone, and cable service.....	821.73		
Illumination and power service (power plant, Engineer Island).....	23,192.73		
Illumination and power service (Manila Electric Co.).....	12,661.20		
Miscellaneous service.....	100.70		
Supplies and materials.....	4,891.24		
			96,247.15

Expenses—Continued		
Other expenses		
Maintenance of plant and equipment.....	P9, 533. 15	
Depreciation of plant and equipment.....	8, 533. 81	
		P18, 116. 96
Total expenses.....		283, 923. 54
Net profit.....		1, 418. 74
		285, 342. 28

The above statement does not include the amount of ₱29,989.35 expended during the year 1930 for the repair of marine railway No. 1, for which there is provided in the 1930 appropriation act a total special appropriation of ₱30,000 (₱10,000, item RR-21, and ₱20,000, item RR-23 of Act 3638).

BUREAU OF LABOR

ORGANIZATION AND PERSONNEL

The bureau of labor is composed of an office of the attorney of labor and 6 divisions, with a total of 117 officers and employees at the close of the year.

LABOR INSPECTION

During the year, 3,423 centers of labor employing 75,516 workers were inspected as against 4,742 centers of labor inspected in 1929, or a decrease of 1,319 centers of labor in the number of inspection. This decrease is accounted to the fact that the regular inspection in the Provinces had to be suspended, due to lack of funds. Several inspections and investigations were made as a result of complaints from laborers or where there was strong probability that labor laws were being violated. In the course of inspections (regular and special) labor statistics were secured.

The same as in the previous years, only five inspectors were assigned to inspection work. Taking into account the rapid industrial and agricultural development of the islands, this number of personnel is considered a very limited force. With the aid, however, of the labor deputies, the handicap was minimized. The result obtained was, therefore, the more gratifying considering the limited number of personnel assigned to the work.

WOMAN AND CHILD LABOR IN THE PHILIPPINES

With the rapid development of industries in these islands and the opening of big factories and other centers of labor the question of woman and child labor has become an important one. In order to enforce the provisions of Act No. 3071 regarding woman and child labor, a woman labor deputy was appointed to conduct regular inspection of factories and other centers of labor in the city of Manila and in near-by Provinces where the employment of women and children prevails. The woman labor deputy is assisted by factory inspectors and labor deputies, who, in their regular visits to factories, also paid attention to the enforcement of the provisions of Act No. 3071, particularly to provisions relating to the employment of minors.

The following table shows the number and business of establishments inspected in 1930, showing the number of women and minors employed in said establishments as compared with 1929:

Industry	1929			1930		
	Number of establishments	Women	Minors	Number of establishments	Women	Minors
Manila:						
Aerated water.....	9	31	5	9	31	
Asbestos sheet.....	1		4			
Bags, repairing.....	12	69	13	9	74	
Buttons.....	1	82	25	2	175	30
Candle.....				1	7	
Candy.....	10	85	30	12	133	27
Cigar and cigarette.....	36	6,486	856	23	3,771	506
Distillery.....				8	35	
Dressmaking and tailoring.....	202	659	24	161	438	

Industry	1929			1930		
	Number of establishments	Women	Minors	Number of establishments	Women	Minors
Manila—Continued						
Embroidery.....	23	1,825	82	351	1,384	57
Glass.....	2	11	1	1	9	
Hats.....	17	85		23	120	
Hemp.....	4	125	6	9	220	5
Ice cream.....	1	2		2	7	
Kapok.....	2	6	2	3	14	
Laboratory.....	1	14	5			
Laundry.....	148	667		213	791	
Printing press.....	19	117	35	23	196	
Refreshment parlor.....	65	108		51	86	
Shirt.....	24	541	66	22	486	46
Shoes and slippers.....	15	180	4	12	230	
Umbrella.....	4	48	14	4	61	15
Vermicelli.....	1	10		1	11	
Total.....	597	11,181	1,170	620	8,279	686
Polo and obando.....	23	894	215	3	152	36
Grand total.....	620	2,075	1,385	623	8,431	722

In our industrial cities, especially in Manila, women and girls are engaged in light work, such as sewing, embroidery, candy wrapping, tobacco stripping, cigarette packing, button sorting, cigar and cigarette making, as well as cutting, labeling, cleaning kapok, bottle washing, and box making. Boys are employed in lithographs, printing, and binding establishments, machine shops, dry cleaning and laundries, tailor shops, furniture stores, billiard rooms, bowling alleys, restaurant and refreshment parlors. In the cigar and cigarette factories, the labeling, wrapping, and stripping work is done by men and women. Dangerous work, such as operating machinery, is prohibited for children under 16 years of age. There are instances in which women are employed as machine tenders, as in cigarette machines and barrel making, for cement, and in shirt and rope factories, but as there is no legislation on the matter, such work can not be restricted.

CLAIMS AND COMPLAINTS

As stated in previous annual reports, the function of the bureau of labor in connection with the settlement of claims and complaints involving the payment of compensation for services rendered, claims for one month's pay in case of dismissal without just and reasonable cause and a previous 30-day notice as provided for by article 302 of the Code of Commerce, for the recovery of personal effects and apparel, and petitions for reemployment, all arising out of the relations between employers and employees, masters and servants, constitutes one of the most important activities of the bureau. Laborers and employees, through this activity, find a helping hand in the bureau for the settlement of their claims against employers and masters, which otherwise would entail them considerable expense were such claims brought to the courts of justice with the assistance of lawyers.

The following table shows the settlement of claims and complaints filed with the bureau of labor during the last five years:

Year	Claims and complaints	Claimants	Adjustments		Amount collected
			Favorable	Unfavorable	
1926.....	766	1,697	447	519	P25,575.26
1927.....	728	1,418	493	235	18,171.91
1928.....	923	2,146	511	412	22,912.21
1929.....	956	1,630	560	396	22,611.79
1930.....	1,125	2,172	575	550	18,967.94
Total.....	4,498	9,063	2,586	1,912	106,239.11

From the foregoing table it can be seen that during the year under review 1,125 claims and complaints were filed with the bureau by 2,172 claimants and complainants as against 956 claims and complaints by 1,630 claimants and complainants during 1929, or an increase of 169 claims and 542 claimants. Of the 1,125 claims, 575 were settled in favor of the workers, while 550 were settled against them.

ACCIDENT CASES

In 1930, 3,092 accident cases were reported to the bureau of labor as against 2,055 accident cases reported in 1929, or an increase of more than 1,000, or 50 per cent.

The cases of 1,521 accidents were resolved, with very few exceptions, by administrative process, enabling the victims or dependents to receive the total amount of ₱56,969.85 as compensation, or an average of ₱37.45 per case. The amount of ₱46,201.19 was paid by employers for medical, hospital, and funeral expenses, or a grand total of ₱103,171.04 as the sum paid by employers for accidents in accordance with the workmen's compensation act. Of the 910 cases where no compensation was paid, it appears that the disability of 770 cases did not last more than the waiting period and therefore were not entitled to compensation, and the remainder were outside of the purview of the law or abandoned by the affected parties. There were 209 fatal accident cases during the year under consideration, 50 of which were noncompensable, 26 paid in installments, and 41 in lump sum. At the close of business on December 31, 1930, there were 661 cases pending for adjustment, including 92 fatal cases.

STATISTICAL SUMMARY OF ACCIDENT CASES

1. Accident cases: (a) number, 3,092;¹ (b) total amount of compensation paid, ₱56,969.85; (c) total amount of medical expenses, ₱32,165.04; (d) total amount of hospital expenses, ₱13,127.65; (e) total amount of funeral expenses, ₱908.50; aggregating ₱103,171.04.

The majority of the sugar centrals and big sugar plantations and a few industrial establishments, such as lumber mills, mines, cement, railway transportation, maintain their own medical staff, hospitals, or dispensaries for the care of their employees and laborers and do not report to the bureau the cost of the hospital and medical services for each individual case of minor accident; for this reason the figures quoted above do not include these items of expenses, to wit, the medical, surgical, and hospital supplies afforded to the employees by the said enterprises. The actual amount expended for these items is therefore greatly in excess of the foregoing figures.

2. Nationalities of victims (accident cases): Filipinos, 3,057; Chinese, 17; Japanese, 16; Americans, 2.

3. Sex and civil status: These accidents include 3,083 males and 9 females; 1,207 were married and 1,885 single.

4. Classification of accidents:¹ (a) Total number of deaths, 209; (b) total number of permanent total disabilities, none; (c) total number of permanent partial disabilities, 139; (d) temporary disabilities—1 week and under, 770; over 1 week to 2 weeks, 775; over 2 weeks, 538.

5. Compensation benefits classified:

(a) For fatals: Compensation paid, ₱16,867.35; medical expenses, ₱787.50; hospital expenses, ₱582.36; funeral expenses, ₱908.50.

Classification by cases of the dependents resulting from these fatal accidents: Sixty-nine widows and 117 children left dependent, 89 cases; mothers and fathers left dependent, 69 cases; brothers and sisters left dependent, 46 cases; no dependents reported, 5 cases.

(b) For permanent total disabilities, none.

(c) For permanent partial disabilities: Compensation paid, ₱11,755.79; medical expenses, ₱8,761.47; hospital expenses, ₱2,484.29.

(d) For temporary disabilities: Compensation paid, ₱28,346.71; medical expenses, ₱22,616.07; hospital expenses, ₱10,060.50.

¹ There were 661 cases pending for adjustment at the close of 1930.

6. Weighted number of working days' time lost:^{1,2} Fatalis, ₱1,254,000; permanent total disabilities, none; permanent partial disabilities, ₱410,450; temporary disabilities, ₱28,994.

7. Ratio of death cases: Number of accident cases, 3,092; number of deaths, 209; number of deaths per 100 accident cases, 7.

8. Ratio of machine injuries:

	Number	Percentage
All machine injuries.....	435	14.07
All other injuries.....	2,657	85.93
Total injuries.....	3,092	100.00

9. Accident cases by industries:

Industries	Number of cases	Percentage
1. Land and water transportations, wharfs, etc.....	1,049	33.93
2. Oils, fats, etc.....	102	3.30
3. Metal works, etc.....	186	6.02
4. Mining, quarrying and other stone works.....	530	17.14
5. Food, drinks, tobacco, etc., manufacturing distribution.....	494	15.98
6. Textiles, clothing, hats, shoes and leather goods.....	6	.19
7. Building and engineering constructions.....	93	3.01
8. Books, printing, publishing, etc.....	12	.39
9. Wood, furniture, sawmill and lumber yards.....	318	10.28
10. Government activities.....	91	2.94
11. Miscellaneous and general labor.....	211	6.82
Total.....	3,092	100.00

10. Accident cases by causes:

Causes	Fatalis	Perma- nent total disabil- ity	Perma- nent partial disabil- ity	Tempo- rary dis- ability	Total
1. Machinery.....	38	-----	21	376	435
2. Vehicles (not including construction of).....	49	-----	31	497	577
3. Explosions, electricity, fires and hot substances.....	26	-----	9	280	315
4. Falls of persons.....	38	-----	30	320	388
5. Stepping on or striking against objects.....	1	-----	1	131	133
6. Falling objects (not being handled by injured).....	31	-----	22	436	489
7. Handling of objects.....	26	-----	19	490	535
8. Hand tools.....	-----	-----	3	155	158
9. Animals.....	-----	-----	-----	5	5
10. Miscellaneous.....	-----	-----	3	54	57
Total.....	209	-----	159	2,744	3,092

11. Accident cases, by ages:

Under 16 years.....	5	Under 40 years.....	672
Under 20 years.....	468	Under 50 years.....	496
Under 30 years.....	1,396	Under 60 years.....	55

STRIKES AND OTHER INDUSTRIAL DISPUTES

During the year under review 36 strikes and other industrial disputes took place involving 6,069 workpeople and 65 establishments as against 26 disputes with 4,939 workpeople and 57 establishments for 1929, or an increase of 10 disputes, 1,130 workpeople, and 8 establishments. Eleven were settled in favor of the workers, while 25 against, or in favor of the employers. With the excep-

¹ There were 661 cases pending for adjustment at the close of 1930.

² The schedule formulated by the committee on statistics and compensation cost of the International Association of Industrial Accident Boards and Commissions has been adopted.

tion of one, stoppage or suspension of work had already taken place in the disputes before the intervention of the bureau of labor could be put into effect; thus much difficulty was encountered in their solution. At the inception of the controversies the bureau exerted all its efforts to bring about a resumption of work, so that no matter how deep the prejudices and passions might have taken root, adjustments of some of them were accomplished within the shortest possible time. The solution of the one conflict involving no stoppage or suspension of work was carried out without difficulty.

Of the 36 disputes 21 were conducted or initiated by labor unions with which the laborers were affiliated and 15 were declared by unorganized laborers; 22 disputes had as their cause the question of wages, either for increase or against decrease, and 14 were due to other causes.

As a result of the 35 disputes which involved stoppage or suspension of work, the laborers sustained a total loss of approximately 75,317 working days or ₱118,576.06 in wages, as against 93,716 working days or ₱149,561.40 in wages in 1929. This marked decrease in the loss sustained by the workers may be attributed to the comparatively short duration of many of the disputes. No estimate was made of the amount of loss sustained by employers, but it is safe to assume that it was enormous. For the two strikes (stevedores and railway workers) in Iloilo alone the employers sustained the enormous loss of approximately ₱300,000. The duration of the stoppage or suspension of work ranged from one day to more than four weeks.

Twenty-four strikes took place in the city of Manila, while 12 occurred in 6 Provinces, namely, Cavite, 1; Iloilo, 4; Rizal, 2; Negros Occidental, 3; Pangasinana, 1; and Nueva Ecija, 1.

The following table shows the adjustment of strikes and other industrial disputes through the intervention of the bureau of labor during the last five years:

Year	Strikes and other industrial disputes			Number of work-people involved	Causes of conflicts		Adjustment in favor of—	
	Total	Union-ists	Non-union-ists		Wages	Other causes	Work-people	Em-employer
1926.....	27	24	3	7, 279	18	9	16	11
1927.....	53	40	13	8, 567	33	20	39	14
1928.....	38	27	11	4, 729	21	17	21	17
1929.....	26	17	9	4, 939	13	13	10	16
1930.....	36	21	15	6, 069	22	14	11	25
Total.....	180	129	51	31, 583	107	73	97	83

In general, the relation between labor and capital may be considered harmonious. In bringing about this happy relationship between these two important elements of production, the bureau of labor undoubtedly played a creditable rôle. It never failed to take advantage, during the course of negotiations between the two parties, of inculcating in the minds of both, particularly the laborers, the necessity of cooperation, mutual good will, and understanding of the factors of production.

FREE EMPLOYMENT AGENCIES OF THE BUREAU OF LABOR

In 1930 the bureau of labor registered 1,685 applicants for positions in different trades, as against 2,194 in 1929, or a decrease of 509. Out of these 1,685 registered applicants only 1,091 or 64.7 per cent were employed.

The following table shows the number of workers in different occupations registered and placed by the bureau of labor during the last five years.

Year	Registration	Placement	Percentage
1926.....	3, 879	3, 208	82. 7
1927.....	2, 549	2, 064	80. 9
1928.....	2, 686	2, 260	83. 8
1929.....	2, 194	1, 609	72. 9
1930.....	1, 685	1, 091	64. 7
Total.....	12, 993	10, 232	78. 8

Embarkation of seamen.—The following table shows the number of contracts executed and the embarkation of seamen during the last five years:

Year	Contracts		Embarkation (seamen)		Total
	Number	Collection	New	Renewal	
1926.....	635	P226.95	34	24,465	24,499
1927.....	547	192.60	27	22,289	22,316
1928.....	609	182.40	20	25,672	25,692
1929.....	606	197.70	25	24,191	24,216
1930.....	693	192.60	11	27,005	27,016

During the year under review 574 contracts were executed and a total of 27,016 seamen were embarked for ships of Philippine registry as against 24,216 seamen in 1929, or an increase of 2,800. The amount of P192.60 was realized from the sale of shipping articles in the execution of the contracts.

INTERISLAND MIGRATION

The following table shows the number of emigrant home seekers recruited and sent by the bureau of labor to sparsely populated regions during the last five years:

Year	Total	Emigrant home seekers	Members of families	Expenses incurred
1926.....	1,561	337	1,244	P27,010.50
1927.....	1,556	312	1,224	28,315.50
1928.....	1,808	280	1,528	41,166.00
1929.....	2,574	380	2,194	57,005.50
1930.....	2,488	332	2,156	59,880.00
Total.....	9,987	1,641	8,346	213,377.50

During the year under review 2,488 home seekers, including members of families, were recruited and shipped by the bureau of labor to Mindanao and Mindoro, as against 2,574 during the previous year, or a decrease of 86 individuals. Of the P60,000 appropriated for the transportation, subsistence, and quarters of emigrant home seekers P59,880 was expended, or a per capita expense of P24.006, as against P22.15 in 1929, or an increase of P1.85. This increase is explained by the great number of home seekers who originated from northern Luzon, which fact made the corresponding increase in the outlay for transportation inevitable.

The following table indicates the destination of home seekers and the expenses incurred for their transportation, subsistence, and quarters during the year 1930:

Destination	Total members	Number of families	Cost of transportation, etc.
Agusan.....	25	4	P540
Bukidnon.....	2	1	50
Cotabato.....	1,191	167	27,765
Davao.....	732	101	19,795
Lanao.....	8	2	150
Zamboanga.....	450	49	11,060
Total.....	2,417	324	59,360
Mindoro.....	71	8	520
Grand total.....	2,488	332	59,880

FILIPINO EMIGRATION TO HAWAII

In 1930, 7,815 Filipinos emigrated to the Territory of Hawaii, consisting of 7,185 males, 253 females, and 377 minors, as against 8,369 for the year 1929, or a decrease of 554 in the aggregate number. On the other hand, it will be noted from one of the tables below that 3,413 Filipinos returned to the Philippines, as against 3,991 for the previous year, showing a decrease of 578.

Emigrants to Hawaii

Year	Total	Number		
		Males	Females	Minors
1926.....	3,356	2,977	160	219
1927.....	10,074	9,784	120	170
1928.....	9,322	9,026	153	143
1929.....	8,389	8,189	134	46
1930.....	7,815	7,185	253	377
Total.....	38,956	37,161	820	955

Emigrants returning to the Philippines

Year	Total	Number		
		Males	Females	Minors
1926.....	3,390	2,562	348	480
1927.....	3,565	2,410	510	645
1928.....	4,839	3,968	379	492
1929.....	3,991	3,402	241	348
1930.....	3,413	2,897	192	324
Total.....	19,198	15,239	1,670	2,289

The Provinces from which the greatest number of emigrants came are as follows:

To Hawaii:		From Hawaii:	
Ilocos Norte.....	2,245	Ilocos Norte.....	1,574
Pangasinan.....	1,747	Ilocos Sur.....	530
Ilocos Sur.....	1,535	Pangasinan.....	398
La Union.....	554	Cebu.....	210
Tarlac.....	485	La Union.....	204
Abra.....	451	Abra.....	60

Since September 22, 1926, the Filipino laborers emigrating to the Territory of Hawaii have been defraying their own transportation expenses to said Territory, but when engaged on the plantations of the Hawaiian Sugar Planters' Association at Honolulu they are entitled to a free-return transportation, provided that they have worked out satisfactorily the required number of days in the contract.

COST OF LIVING

The low prices which prevailed during the year under review of many articles of prime necessity had a favorable effect upon the family budget of laborers. It is worthy to mention that the retail price of rice, the most important item of food, averaged ₱0.32 to the ganta as against ₱0.42 in 1929, or a decrease of 24 per cent. With the exception of fish, substantial decreases were also noted in the prices of other articles of food, such as sugar, eggs, and vegetables. The same is true of prices in the Provinces. However, this decrease in the prices of commodities was offset by unemployment or part-time work which existed during the same period as a result of the business depression. It should be stated, further, that low wages prevailed in 1930.

FINANCIAL STATEMENT

The sum of ₱200,357 was available for the expense of the bureau; but on account of the extraordinary order from this department, approved by the Governor General, the bureau of labor investigated the complaints of the tenants of the Hacienda Lusita in Tarlac. Due to this investigation the bureau incurred a deficit in its allotment "traveling expense of personnel," and consequently a deficiency fund in the sum of ₱612.63 under section 11 of Act 3803 was given. All in all, the expenditure of the bureau for 1930 was ₱200,969.63, which, if compared with ₱195,028.57 in 1929, shows an increase of ₱5,941.06. The appropriation of ₱60,000 for the transportation of home seekers was the same as that in 1929.

The receipts of the bureau for license fees, service income, and miscellaneous sources were ₱11,951.87, as against ₱17,333.72 in 1929, or a decrease of ₱5,381.85.

BUREAU OF COAST AND GEODETIC SURVEY

PERSONNEL

The present director, Commander J. H. Hawley, assumed office on July 7, 1930, relieving Commander L. O. Colbert, who had been ordered to return to the United States. A number of other officers who had completed their tour of duty in the Philippines were replaced by officers from the United States during the year.

SURVEY SHIPS

During the year the bureau maintained its steady and satisfactory progress toward the completion of the first surveys of the Philippine Islands and in so doing contributed materially to the safety of navigation, the development of commerce, and the advancement of geographic knowledge throughout the Archipelago.

The "Pathfinder."—The surveys of Davao Gulf undertaken by this ship since the first part of the year were completed at the end of January. The vessel then returned to Manila and underwent annual repairs until the latter part of April. After this, work was started on the north coast of Luzon until the latter part of September, when it was discontinued because of the beginning of the northeast monsoon. The ship then proceeded to the west coast of Palawan and was engaged during the rest of the year in extending surveys southwestward from a junction with previously completed work near Malampaya Sound. Weather conditions off Palawan were generally favorable, and a considerable amount of work was accomplished by the end of the year.

The "Fathomer."—This ship was stationed at Manila for annual repairs until the first part of March and was then engaged in magnetic surveys in Mindoro Strait until March 18, when survey work was taken up on the west coast of Palawan near the southern island. During the middle of May this ship was transferred to the east coast of Luzon and operated there until the beginning of the northeast monsoon. The vessel returned to Manila on September 5 for dry-docking, after which the party resumed work in southern Palawan. Good progress was made in southern Palawan, the work accomplished including a close survey of the inshore area between Jervois and Pamandugang Points to provide information urgently required by interests engaged in loading lumber in this locality. The *Fathomer* returned to Manila about the end of December for additional repairs.

The "Marinduque."—This ship was at Manila undergoing repairs until the 1st of March and then took up surveying operations in the Sulu Archipelago between Jolo and Tawitawi Islands. This work was continued until the latter part of November, when the ship proceeded to Manila for annual repairs.

This party encountered excellent weather conditions throughout the season and was able to accomplish a very satisfactory amount of work. At the present time only a small area of open water remains to be surveyed in order to complete all work eastward of Sibutu Passage.

Detached parties.—During the periods May 20 to June 2 and August 23 to September 10 detached parties completed a survey of Port Lamon, Mindanao, and thereby enabled the bureau to provide the information required for the navigation of vessels which call at that port for lumber.

During the periods March 28 to April 22 and May 22 to May 27 detached parties were engaged in reconnaissance in northern Luzon for the purpose of extending triangulation from the Cagayan Valley to the east coast of the island in the vicinity of Palawan Bay.

MANILA FIELD STATION

This station carried on its usual work of directing and supervising all surveying operations of the bureau in the Philippine Islands, as well as the review, compilation, and publication of the results of field work. All administrative duties, including the procurement of supplies and equipment required in the field and office, were accomplished satisfactorily. A stock room for the storage of charts and other publications kept for sale was provided, and a number of other improvements which will increase the efficiency of the office were effected.

The bureau took an active part in the organization of a board of surveys and maps of the Philippine government and the chief of the nautical division was appointed secretary of the board. The director of coast surveys was appointed chairman of a subcommittee on physical and chemical oceanography, a unit of the committee on oceanography of the Pacific. This bureau also contributed to the exhibit of the insular government at the International Colonial Exposition to be held at Paris, France.

The computing division continued the office computation of control surveys, the reduction of soundings, the establishment of tidal data, the supply of such data for newspaper publication, and the listing of magnetic and seismologic information. Arrangements were made to supply to the Manila weather observatory, for review and publication, the results of the bureau's water temperature and salinity observations throughout the archipelago.

The drafting and geographical divisions carried on their usual duties of preparing projections and other data required for field work, the receipt and review of the results of field operations, the smooth plotting of hydrographic sheets, and the constructing of drawings for new charts and topographic maps, as well as the correction, from new information, of those already published.

In addition to routine duties, these divisions also accomplished a considerable amount of miscellaneous work including the supply, to government officials and private parties, of geographic data, special plans of new surveys, and copies of survey sheets.

The nautical division has maintained the usual stock of charts and other publications for sale to the public and has kept the supply of corrected charts, which are corrected by hand for changes occurring between the dates of printing and issue, well in advance of the demand. This division also cooperated with the executive bureau in continuing the revision of the lists of municipalities, barrios, and sitios of several Provinces. The bureau is now able to supply up-to-date coast-pilot information to supplement its nautical charts throughout the islands.

The photolithographic division carried on its usual work of printing charts, topographic maps, and other photolithographic publications and was able to meet all requirements for printing.

The first two of a series of 12 airway maps were completed and issued to the public, and work on the third map of the series was started.

FINANCIAL STATEMENT

The expenditures of the bureau during the year amounted to ₱677,770.09. Of this sum, the government of the Philippine Islands contributed ₱284,997.21, and the balance of ₱392,772.88 was paid by the Government of the United States. An income of ₱6,517.89 was produced by the bureau during the year under review.

BOARD OF ACCOUNTANCY

Hon. Vicente Carmona, president; Mr. D. T. Dikit, secretary-treasurer; Mr. Salvador Lagdameo, member; all as of December 31, 1930.

The composition of the board remained the same during the year, Mr. Carmona having been reappointed under department order No. 135, dated October 28, 1930, upon the expiration of his term.

There were 40 candidates (23 new and 17 repeaters) who were approved by the board to take the certified public accountant examination held on December 16-18, 1929. Out of this number only 35 candidates appeared and took the examination, and 16 of them obtained the passing grades and were granted certificates of registration as certified public accountants.

One application for registration as certified public accountant, filed within the period provided by section 2 of Act 3302, was favorably acted upon by the board, and certified public accountant certificate No. 205 was accordingly issued to the applicant. One public accountant certificate, No. 301, was also issued under section 12 of Act 3105, as amended.

There were 47 candidates who were admitted in the examination given by the board on December 16-18, 1930. Seventeen of them were repeaters.

The following is the statement of income and expenditures from January 1 to December 31, 1930, compared with the same period of the previous year:

	Dec. 31, 1930	Dec. 31, 1929
EXPENDITURES		
Operating expenses:		
Salaries.....	P1,710.00	P3,060.00
Salaries (temporary employees).....	300.00	300.00
Travel expenses of personnel.....	.60	1.00
Postal, telegraph, telephone, etc.....	12.00	12.34
Consumption of supplies.....	21.30	108.94
Printing and binding reports.....	100.00	50.00
Miscellaneous service.....	76.40	60.90
Total.....	2,220.30	3,593.18
Outlays: Furniture and office equipment.....	278.25	-----
Total expenditures.....	2,498.55	3,593.18
INCOME		
Examination fees.....	2,350.00	1,350.00
Renunciation fees.....	100.00	350.00
Issuance of certificates.....	180.00	220.00
Repayment, prior year's expenses.....	150.00	64.42
Total.....	2,780.00	1,984.42
Excess of income over expenditures.....	281.45	(1,608.76)

BOARD OF EXAMINERS FOR CIVIL ENGINEERS

Messrs. Luis Francisco, chairman; Procopio Eleazar, secretary-treasurer; Domingo Guanio, member; all as of December 31, 1930.

The members of this board, Messrs. Luis Francisco, chairman; Julian Vallarta, member; and P. F. Eleazar, secretary-treasurer, who were in the office at the close of 1929, continued to serve until March, 1930, when this department appointed Mr. Domingo Guanio to fill the vacancy created by the resignation of Mr. Vallarta. The new board met on March 6, 1930, for the first time and organized itself with Mr. Francisco as chairman; Mr. Eleazar, secretary-treasurer; and Mr. Guanio, member.

Two written examinations were given in accordance with section 8, Act 2985—one on January 13-14 and the other on July 14-15. Out of the 35 applicants in the January examination 27 were granted certificates; and out of the 85 applicants in the July examination 54 obtained a passing mark. Several oral examinations were given in accordance with section 11 of Act 2985.

The board received during the year P4,920, covering fees for certificates of registration and for applications for examination, and spent during the same period P642.64 for salaries, wages, postage stamps, miscellaneous services, and materials.

BOARD OF EXAMINERS FOR MECHANICAL ENGINEERS

Messrs. Clement Hidalgo, chairman; Angel P. Fojas, secretary-treasurer; and Francisco Yeasiano, member; all as of December 31, 1930.

The above members were reappointed for another term under department order No. 128, dated September 1, 1930.

The board held eight meetings and one examination during the year. Of the 11 applicants who took the examination on July 14-15, 1930, only 6 passed and were given certificates of registration for the practice of the profession of mechanical engineering.

During the year the board collected ₱390 for examination fees and certificate fees and spent ₱260.53 for per diems, labor, publication, and materials.

Out of the ₱3,800 appropriated for the examining boards of architects and engineers under Act 3638, the sum of ₱560 has been allotted to the board of examiners for mechanical engineers. The board has an unexpended balance of ₱299.47 at the end of the year.

BOARD OF EXAMINERS FOR ELECTRICAL ENGINEERS

Messrs. Irwin McNiece, chairman; Arturo V. Tanco, secretary-treasurer; and Leroy H. Thompson, member; all as of December 31, 1930.

The year began with Messrs. Irwin McNiece, Leroy H. Thompson, and Ciriaco Coronel composing the board. On September 5, 1930, a new board was appointed under department order No. 129, with Mr. Arturo V. Tanco as the new member succeeding Mr. Coronel, who was appointed a government pensionado.

No examination was held in January, 1930. On July 14-15 there were five applicants. Of these five, only four took the examination, and they all passed.

Two examinees were registered during 1930. One of these passed the examination of July, 1929, and the other the examination of July, 1930.

During the year under review the board received ₱140 for examination fees and for issuance of certificates and spent ₱80 for per diems of the members.

BOARD OF EXAMINERS FOR ARCHITECTS

Mr. Arthur Gabler-Gumbert, chairman, Mr. Cheri Mandelbaum, secretary-treasurer; and Mr. Carlos A. Barretto, member; all as of December 31, 1930.

With the reappointment of Messrs. Barretto and Mandelbaum, Mr. Arthur Gabler-Gumbert was appointed member of the board under department order No. 123, dated July 9, 1930, for a term of one year. At the meeting of the board on September 9, 1930, Messrs. Gabler-Gumbert and Mandelbaum were elected chairman and secretary-treasurer, respectively.

The board held two examinations during the year. Of the eight candidates who took said examinations, only three passed.

During the year under review the board collected ₱250 for examination fees and for four certificates of "architect," and spent ₱413.48 for per diems, postage stamps, stationery supplies, and publication for examinations.

BOARD OF EXAMINERS FOR CHEMICAL ENGINEERS

Mr. Francisco D. Reyes, chairman; Mr. Amando Clemente, secretary-treasurer; and Mr. Jose C. Espinosa, member; all as of December 31, 1930.

The year commenced with Messrs. Francisco D. Reyes, Jose C. Espinosa, and Armando Clemente as members of the board. Upon the expiration of their term of office, on September 22, 1930, they were reappointed as members of the new board under department order No. 131.

During the year the board collected ₱10 for one certificate of registration and spent ₱144.76 for per diems, publication of examinations, and postage stamps.

BOARD OF EXAMINERS FOR MINING ENGINEERS

Messrs. Victor E. Lednicky, chairman; Leopoldo A. Faustino, secretary-treasurer; and V. Elicaño, member; all as of December 31, 1930.

The year commenced with Messrs. Victorano Elicaño, Ramón Abarquez, and Leopoldo A. Faustino composing the board. Upon the expiration of the term of office of Mr. Ramón Abarquez, Mr. Victor E. Lednicky was appointed to succeed him, effective May 29, 1930.

During the year, the board spent ₱121.74 for per diems, supplies, and materials, publications, including the ₱0.19 bond premium of Dr. Leopoldo A. Faustino, from October 1, 1930, to December 31, 1930. There were no certificates issued by the board during the same period.

Very respectfully,

J. V. BAGTAS,
Acting Secretary of Commerce and Communications.

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